



State of Arizona
Department of Education

Child Nutrition Programs

Guidance Manual

2010

| Section |
|---|
| 1.1 - Introduction to Child Nutrition Programs |
| • Mission Statement |
| • Legislation |
| • Child Nutrition Act |
| • Understanding Free and Reduced-price Policy |
| 1.2 - Overview of Child Nutrition Programs |
| • National School Lunch Program |
| • School Breakfast Program |
| • After School Care Snack Program |
| • Special Milk Program |
| • Summer Food Service Program |
| • Team Nutrition |
| • Child and Adult Care Food Program |
| • Food Distribution Program |
| 1.3 - Promotional Activities |
| • National Nutrition Month |
| • Team Nutrition Days |
| • Arizona Agriculture Day |
| • Arizona School Food Service Association |
| 1.4 - Acronyms and Definitions |
| 2.1 - Household application for Child Nutrition Program Participation |
| • Non-profit Food Service |
| • Free and Reduced-price Policy Statement |
| • Sponsor Household applications and Site Household applications |
| • Meal Counting and Point of Service |
| • Criteria for Eligibility for After School Care Program |
| 3.1 - Menu Planning Overview |
| • Nutritional Standards |
| • Menu Planning Approaches |
| • Nutritional Compliance |
| • Nutritional Goals |
| ○ Traditional Menu Pattern Goals |
| ○ Enhanced Menu Pattern Goals |
| ○ Nutrient Analysis Menu Pattern Goals |
| 3.2 - Food Based Menu Planning Approach |
| • Traditional Meal Pattern |
| • Enhanced Meal Pattern |
| • Creditable Food Requirements |
| • Non-Creditable Foods |
| • Production and Menu Records |

| |
|---|
| • Menu Substitutions |
| • Offer vs. Serve |
| 3.3 - Nutrient Based Menu Planning Approach |
| • Nutrient Standard Menu Planning |
| • Assisted Nutrient Standard Menu Planning |
| • Menu Planning Requirements |
| • Nutrient Analysis Requirements |
| • Production and Menu Records |
| • Menu Substitutions |
| • Offer vs. Serve |
| 3.5 - Alternate Menu Planning Approach |
| • Infant Meal Pattern |
| 3.6 - Food of Minimal Nutritional Values |
| • Competitive Foods |
| 3.7 - Arizona Nutrition Standards |
| • Standards |
| • Portion Sizes |
| • Guidelines and Classification for K-8 |
| • Resources |
| 3.8 - Other Meal Service Requirements |
| • Point of Service |
| • Designated Hours |
| • Reimbursable Vending |
| • Denial of Meals |
| • Meal Consumption |
| • Field Trips |
| • Family Style Service |
| • Leftover Foods |
| 3.9 - Other Meal Patterns |
| • Infant Meal Pattern |
| 4.1 - Reimbursement Policy |
| • Age Requirement |
| • Preschool and Day Care Program |
| • After School Snack Program |
| • Non-School Days |
| • Visiting Students |
| • GED Programs |
| • Second Meals |
| 5.1 - Free and Reduced-Price Policy |
| • Introduction to Free and Reduced-Price Policy |
| • Basic Requirements |
| • Policy Statement |
| • Public (Media) Release |

| |
|---|
| • Notice to Households (Parent Letter) |
| • Foreign Language Translation |
| 5.2 - Free and Reduced-Price Process Best Practice |
| 5.3 - Free and Reduced-Price Reimbursement |
| 5.4 - Household application Collection Procedures |
| • Benefits Prior to Processing Certification |
| • Household Application Processing Time Frame |
| 5.5 - Eligibility Criteria |
| • Categorically Eligible |
| • Income Eligible |
| • Citizenship |
| 5.6 – Complete Household application |
| • Case Number Eligible |
| • Income Eligible |
| • Foster Children’s Eligibility |
| • Migrant, Homeless, and Runaway Child Eligibility |
| 5.7 - Determining Household Size |
| • Child Classification |
| • Family Members Living Apart |
| 5.8 – Determining Household Income |
| • Projected Income for Seasonal Workers and Other |
| • Income for the Self-Employed |
| • Income from Wages and Self-Employment |
| • Military Benefits |
| • Income Exclusions |
| 5.9 – Household application Approval or Denial |
| • Categorical Eligibility |
| • Temporary Approval |
| 5.10 – Households that Fail to Apply |
| 5.11 – Children Residing in Homeless Shelters |
| 5.12 – Notification of the Eligibility Determination |
| • Eligibility Changes |
| 5.13 - Appeals |
| 5.14 - Record-Keeping |
| 5.15 - Electronically Scanned and Stored Household Applications |
| • Computer Generated Rosters |
| 5.16 - Multi-use Household applications |
| • LEA and AHCCCS Agreement |
| • Sharing Information with Medicaid/KidsCare/AHCCCS |
| • Medicaid/KidsCare/AHCCCS Screener |
| • Disclosure of Protected Information |
| • Parental Notification about Eligibility Disclosure |
| • Agreements of Understanding |

| |
|--|
| • Other Disclosures that Require Parental Consent |
| • Consent Statement Requirements |
| • Requirements for Disclosure of Social Security Numbers |
| • Penalties for Improper Disclosure |
| 5.17 - Categorically Eligible Programs |
| • Head Start |
| • Even Start |
| 5.18 - Direct Certification |
| 5.19 - Verification |
| 5.20 - Meal Count System |
| • Benefits Issuance Document |
| • Point of Service |
| • Medium of Exchange/Avoiding Overt Identification |
| • Daily Reporting |
| 5.21 - Special Assistance |
| 6.1- Residential Child Care Institute (RCCI) |
| • Qualifications of the Institute |
| • Residential Students |
| • Statement of Facts |
| • Master List / Enrollment Household Applications |
| • Day Students |
| • Daily Report / Edit Check Example |
| 7.1- Budgets |
| • Meal Pricing for Students |
| • Meal Pricing for Adults |
| • School District Employees |
| • A-la-carte |
| • Labor Costs |
| • Food Service Staffing Guidelines |
| • Costing out a School Meal Example |
| • Pricing of a School Meal |
| • Comparison of Staffing to Guidelines |
| • Food Sales Tax |
| 8.1 - Cash Management and Accounts |
| • Cash Controls |
| • Clearing Accounts |
| • Revolving Accounts |
| • Change Fund Account |
| • Ticket Sales |
| • Ticket Refunds / Credit Accounts |
| • Lost and Stolen Tickets |
| • Cash for Reduced-Price Meals in Serving Line |
| • Bad Debts |
| • Charges for Meals |

| |
|--|
| • Daily Cash Count Example |
| • Food Service Cash Reconciliation |
| 9.1 - Reimbursement |
| • Reimbursement Rates |
| • Reimbursement Claims |
| • Due Dates |
| • Combined Claims |
| • Revised Claims |
| • Checking the Reimbursement Claim |
| • Attendance Factor |
| 10.1- Food Service Annual Financial Report Requirement |
| • Value of USDA Foods |
| • Meals Served |
| • Snacks / A-la-carte / Catering |
| • State Match |
| • Net Cash Resources |
| • Monitoring of Net Cash Resources |
| • Computing Excess Cash |
| • Eliminating Excess Cash |
| • Indirect Costs |
| • Direct Costs |
| • Indirect Cost Rate |
| • Restricted ICR |
| • Unrestricted ICR |
| • Indirect Cost in Food Service |
| • Computation of Indirect Cost |
| • Net Cash Resources Worksheet |
| • Sources of Indirect Cost Base Exhibit |
| 11.1- Procurement Requirements |
| • Procurement Cost Threshold |
| • Procurement Code of Standards |
| • General Procurement Procedures |
| • Types of Procurement |
| • Purchasing Methods |
| • Food Purchased for Food Service Programs |
| • Food Purchased for Personal Use |
| • Procurement Policy Code of Standards Exhibit |
| • Buy American Provision |
| 12.1 USDA Foods Program |
| • Legislative Authority |
| • USDA Foods Programs |
| • Food Distribution System |
| • USDA Food Categories |

| |
|--|
| • Food Distribution on the Internet |
| • USDA Foods Allocation |
| • Planned Usage Request Survey |
| • Entitlement |
| • Commercial Distribution |
| • Method of Delivery or Pickup |
| • Ordering Procedure |
| • Receiving Responsibility |
| • Payment to Warehouse |
| • Excess Storage |
| • USDA Foods Processing |
| • Donated Food Processing Programs |
| • Use of USDA Foods |
| • Use and Storage of USDA Foods |
| • Communication |
| 13.1 Catering Contracts |
| 14.1 Inter-Governmental Agreement |
| 15.1 Food Service Management Company Procurement |
| 16.1 Civil Rights Compliance |
| • Filing Discrimination Complaints |
| 17.1 Local Wellness Policy |
| 18.1 School Food Safety Inspections |
| 19.1 Hazard Analysis and Critical Control Points |
| 20.1 Audits |
| 21.1 Program Reviews |
| • School Meals Initiative (SMI) |
| • Coordinated Review Effort (CRE) |
| • Additional Administrative Review (AAR) |
| • National School Lunch Administrative Review Appeal Procedure |
| 22.1 Recordkeeping Requirements |
| 23.1 Program Resources |
| • CNP Guidance Materials |
| • CNP Training Workshops |
| • Professional Development |
| • Nutrition Education Resources |
| 24.1 Glossary |
| 25.1 Exhibits |

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| Introduction | <p>Child Nutrition Programs Introduction</p> <p>This manual serves as a source of information to acquaint sponsors with the Child Nutrition Programs (CNP) and to provide current information on program policies and procedures that will assist in operating a successful program.</p> |
| Mission | <p>MISSION OF THE ARIZONA SCHOOL HEALTH AND NUTRITION PROGRAMS</p> <p>To assist schools and organizations to improve the nutrition and well-being of students so that they can achieve their full potential.</p> <p>Arizona Department of Education Academic Achievement Division School Health and Nutrition Programs</p> <p>Physical Address 2005 North Central, 3rd Floor Phoenix, AZ 85004</p> <p>Mailing Address 1535 West Jefferson, Bin # 7 Phoenix, AZ 85007 Telephone: (602) 542-8700 Hot line: 1-800-352-4558 Fax: (602) 542-3818 (602) 542-1531</p> |
| Legislation | <p>National School Lunch Act Public Law 396, the National School Lunch Act, was passed on June 4, 1946. It established school food service as an integral part of the U.S. educational system. In September 1947, the Arizona Legislature passed Bill No. 92, Chapter 98, which established the School Lunch Program in Arizona. In 1966, the provisions of Section 4 authorized payments to each state to initiate, maintain, or expand Non-Profit Breakfast Programs in schools.</p> <p>The objectives of the National School Lunch Act are:</p> <ul style="list-style-type: none"> • To safeguard the health and well-being of the nation's children by establishing good food habits and providing adequate food for the children. • To utilize the food resources of the country to the best advantage. • To provide educational methods and resources for accomplishing these objectives. |
| Child Nutrition Act | <p>On October 11, 1966, President Lyndon B. Johnson signed the Child Nutrition Act. In Section 2 of the Act, Declaration of Purpose, Congress stated:</p> <p>"In recognition of the demonstrated relationship between food and good</p> |

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| | <p>nutrition and the capacity of children to develop and learn, based on years of cumulative successful experience under the National School Lunch Program with its significant contribution in the field of applied research, it is hereby declared to be the policy of Congress that these efforts shall be extended, expanded and strengthened under the authority of the Secretary of Agriculture as a measure to safeguard the health and well-being of the nation's children and to encourage the domestic consumption of agricultural and other foods, by assisting states through grants-in-aid and other means to meet more effectively the nutritional needs of children."</p> <p>In addition, this Act provided the following: the start of the School Breakfast Program; the extension of the benefits of all school feeding programs to include preschool children in programs operated as part of the school system; and the expansion of the Special Milk Program to non-profit nursery schools, childcare centers, settlement houses, summer camps and other non-profit institutions devoted to the care and training of children and not participating in a Federal meal service program.</p> <p>The National School Lunch, School Breakfast, and Special Milk Program fall under the Richard B. Russell National School Lunch Act (NSLA). The NSLA was signed into law by President Harry Truman on June, 4th 1946 and provided federal funds and USDA Foods to school lunch and milk programs in response to the diet-related health problems seen in American men attempting to join the military during World War II. The current regulations regarding NSLA and its qualifying programs are found in the Code of Federal Regulations.</p> <p>The Code of Federal Regulations is a codification of the general and permanent rules published in the Federal Register by the Executive departments and agencies of the Federal Government. The Code is divided into 50 titles, which represent broad areas subject to Federal regulations. Each title is divided into chapters, which are divided into parts covering specific regulatory areas.</p> <p>Title 7 of the Code of Federal Regulations is composed of fifteen volumes, which are subsequently broken into parts. The Food and Nutrition Service current regulations are in the volume containing parts 210-299.</p> <p>Congress reauthorizes the Child Nutrition Programs under 7 CFR, Section 210-299 every four to five years. Reauthorization is the continuation or subsequent authorization of a Federal grant program by Congress. The statute reauthorizing a program may include one or more, often significant, changes to the original or previously authorized statute.</p> |
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| <p>Overview of the Child Nutrition Programs</p> | <p>The Arizona Department of Education is the State Agency that has been designated to administer the Program in schools as specified in 7 CFR 210.3. As the designated State Agency, Arizona Department of Education has the authority to enforce the applicable Federal regulations.</p> <p><u>National School Lunch Program</u></p> <p>The primary purpose of the National School Lunch Program (NSLP) is to serve school children meals of optimum nutritional value at a minimum cost to the child. This is accomplished by providing a daily meal that meets one third of the Recommended Dietary Allowances (RDA). Snacks may also be served to children participating in after-school education or enrichment programs. Sponsors, also known as Local Education Agencies (LEAs), that choose to take part in the NSLP get cash subsidies and donated USDA Foods from the United States Department of Agriculture (USDA). Meals are reimbursed according to the eligibility of the students participating in the program. Public schools, private non-profit schools, residential childcare institutions, juvenile correctional institutions and boarding schools may participate in the NSLP.</p> <p><u>School Breakfast Program</u></p> <p>Nutritious morning meals can be provided for all children in schools and residential child care facilities participating in the program. Those students eligible for free or reduced-price lunch are also eligible for free and reduced-price breakfast.</p> <p><u>After School Snack Care Program</u></p> <p>The National School Lunch Program (NSLP) offers cash reimbursement to help schools serve snacks to children in after school activities aimed at promoting the health and well being of children and youth in our communities. A school must provide children with regularly scheduled activities in an organized, structured and supervised environment; include educational or enrichment activities (e.g., mentoring or tutoring programs). Competitive interscholastic sports teams are not an eligible after school program. The programs must meet State or local licensing requirements, if available, or State or local health and safety standards. All programs that meet the eligibility requirements can participate in the National School Lunch Program and receive USDA reimbursement for after school snacks.</p> <p><u>Special Milk Program</u></p> <p>The Special Milk Program is designed to encourage the consumption of milk by children. This program makes milk available to children in non-profit schools (except schools participating in the National School Lunch Program), non-profit preschools, childcare centers, settlement houses, summer camps, and split-session kindergarten programs conducted in schools which do not provide access to the regular meal service for these children.</p> |
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Summer Food Service Program

In 1968 the Summer Food Service Program (SFSP) was established to provide meals to children during the summer months and during periods when area schools are closed for vacation. This program continues the availability of lunch as well as breakfast or snacks for children. Participation requires sites to draw their attendance from low-income areas. Sponsors are limited to government agencies, public and private non-profit schools, and private non-profit organizations or camps.

Team Nutrition

The goal of the Team Nutrition is to improve the health and education of children by creating innovative public and private partnerships that promote food choices for a healthful diet through the media, schools, families, and the community. Team Nutrition is a combination of training and technical assistance and nutrition education designed to help schools serve healthier meals as well as motivate children to eat them. Schools that participate receive materials to assist them in meeting the nutrition goals.

Grants may be available to schools, centers, and agencies on a competitive basis to provide nutrition education programs and materials. Beneficiaries of these grants are students from preschool through grade twelve as well as food service staff.

Child and Adult Care Food Program

The Child and Adult Care Food Program (CACFP) was established in 1966 to provide meals and snacks to children in day-care centers, day-care homes, settlement houses, recreation centers, and Head Start Programs. The program provides financial assistance to private non-profit, public, and proprietary organizations receiving Title XX assistance. Meal requirements are similar to the NSLP with portion sizes adjusted for grade or age. As a part of the Child and Adult Care Food Program, the Older American Act Amendments of 1987 made reimbursable meals available to adult day-care centers. To qualify for participation, the primary function of an adult day-care center is to serve the needs of functionally impaired adults or persons over 60 years old by offering care to individuals in a nonresidential adult day-care center.

Food Distribution Program

The USDA established the Food Distribution Program to remove farm surpluses from the market and to provide a variety of nutritious foods to eligible recipient agencies. Sponsoring organizations eligible to participate in the Food Distribution Program are:

- National School Lunch Program Sponsors
- Summer Food Service Program Sponsors
- Disaster Organizations
- Child and Adult Care Food Program Sponsors (receive cash in lieu

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| <p>Promotional Activities</p> | <p>of USDA Foods)</p> <p><u>National School Lunch Week</u> A Joint Resolution of Congress established an annual National School Lunch Week on October 9, 1962. By such resolution, the President is requested to issue annually a proclamation calling on the people of the United States to observe a week with appropriate ceremonies and activities. National School Lunch Week is observed during the second week in October. The American School Food Service Association (ASFSa) annually issues menus for this week. Schools are encouraged to use these menus to focus attention on the program and its benefits.</p> <p><u>School Breakfast Week</u> The School Nutrition Association promotes School Breakfast Week to</p> <ul style="list-style-type: none"> • increase awareness of the nutritional value of breakfast, • encourage support for the Breakfast Program, and • increase participation in the Breakfast Program. • <p>School Breakfast Week is celebrated annually the first week in March.</p> <p><u>National Nutrition Month</u> The American Dietetic Association (ADA) sponsors National Nutrition Month to enhance public knowledge about nutrition and health. This program began in March 1973 as a week-long event and grew to include the entire month of March in 1980 in response to increasing public interest in nutrition. National Nutrition Month occurs annually during the month of March.</p> <p>The National Nutrition Month campaign supports the ADA's goal of helping the public make informed food choices and establish sound eating habits.</p> <p><u>Team Nutrition Days</u> Team Nutrition Days is an exciting nationwide educational opportunity to motivate students to take specific steps toward improving their health and making the most of their educational opportunities. This project is designed to strengthen ties among schools, families, communities, businesses, and government agencies and to link the classroom and school meals programs in communicating a yearly theme.</p> <p><u>Arizona Agriculture Day</u> Arizona Agriculture Day is observed annually in the month of March. It provides a special opportunity to acknowledge and salute the achievements of people who work in agriculture in Arizona. This special tribute promotes unity in the food and agricultural community and serves to educate the non-farm public about the industry.</p> |
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| | <p>Arizona Agriculture Day can be used as a means to promote the use of agricultural products grown in Arizona and/or used in the National School Lunch Program. School Nutrition Association of Arizona provides information on the observance and promotional ideas annually. Schools are encouraged to work together with other agricultural organizations and clubs to create an agricultural celebration in their community.</p> |
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| <u>Acronyms:</u> | <u>Definitions:</u> |
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| AASBO | Arizona Association of School Business Officials |
| ACDA | American Commodity Distribution Association |
| ADA | Average Daily Attendance (enrollment/operating days) |
| ADE | Arizona Department of Education |
| ADP | Average Daily Participation |
| AG | Attorney General |
| AG DAY | Agriculture Day (celebrated in March) |
| AMS | Agricultural Marketing Service |
| AZDA | Arizona Department of Agriculture |
| BIA | Bureau of Indian Affairs |
| CACFP | Child and Adult Care Food Program |
| CIL | Cash in Lieu of USDA Foods |
| CNP | Child Nutrition Programs |
| CRE | Coordinated Review Effort |
| CTD | Data processing code which designates county, type, and district |
| DA | Distributing Agency |
| DES | Department of Economic Security |
| DF | Donated Foods (also called USDA Foods) |
| DHS | Department of Health Services |
| EDP | Electronic Data Processing |
| EPDS | End Product Data Schedule |
| FD | Food Distribution |
| FSMC | Food Service Management Company |
| FNS | Food and Nutrition Service (part of USDA) |
| FNSRO | Food and Nutrition Service Regional Office |
| FSIS | Food Safety and Inspection Service |
| FFY | Federal Fiscal Year (Runs Oct.1 - September 30) |
| GAO | General Accounting Office |
| IFB | Invitation for Bid |
| IGA | Intergovernmental Agreement |
| K-12 | Kindergarten through Grade 12 |
| LEA | Local Education Agency |
| NCP | National Commodity Processing |
| NETP | Nutrition Education & Training Program |
| NOA | Notice of Arrival |
| NSLP | National School Lunch Program |
| NSLW | National School Lunch Week |
| OAG | Office of the Auditor General |
| OGC | Office of General Council |
| OIG | Office of the Inspector General |
| OMB | Office of Management & Budget |
| PSA | Public Service Announcement |
| RA | Recipient Agency |
| RCCI | Residential Child Care Institution |
| RD | Registered Dietitian |

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| RDA | Recommended Dietary Allowance |
| RFP | Request for Proposal |
| SA | State Agency |
| SAE | State Administrative Expense |
| SBP | School Breakfast Program |
| SFSP | Summer Food Service Program |
| SMP | Special Milk Program |
| SNA | School Nutrition Association |
| SNBP | Severe Need Breakfast Program |
| SOC | State Option Contracts |
| SY | School Year (July 1 to June 30) |
| USDA | United States Department of Agriculture |
| YAC | Youth Advisory Council |

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| <p>Free and Reduced-Price Policy Statement</p> <p>Sponsor Household Application and Site Household Application(s)</p> | <p>month.</p> <ul style="list-style-type: none"> • Maintain files of currently approved/denied free and reduced-price household applications and Direct Certification match results. • Make available for review or audit all accounts and records pertaining to the School Nutrition Programs. • Operate School Nutrition Programs in compliance with the Civil Rights Act of 1964 as amended, and not segregate children during meal service on the basis of meal eligibility. • Maintain proper sanitation and health standards in the storage, preparation and service of food. • Accept and use, in as large quantities as can be efficiently utilized, donated food (USDA Foods) offered by the USDA. <p>This statement outlines regulations for determining children's eligibility for free and reduced-price benefits in the National School Lunch Program, School Breakfast Program and Special Milk Program. This policy statement is considered a permanent document and shall apply to the program(s) indicated on the most recent Food Program Service Agreement.</p> <p>Local Education Agencies shall submit a sponsor household application and site household application(s) via CNP Web at the beginning of each program year, prior to serving meals. A site household application must be submitted for each site the sponsor is planning to operate in the current program year. A program year is defined as July 1 through June 30. The sponsor household application and site household application(s) must be approved by the Arizona Department of Education, School Health and Nutrition Programs prior to beginning meal service and prior to submitting a claim for reimbursement. On each site household application, it is required to put the first serving day as the beginning program date and the last serving day as the end program date.</p> <p>Parent Letter, Free and Reduced-Price Household application and Notification Letter LEAs may download an approved prototype Parent Letter, Free and Reduced-Price Household application, and Notification Letter from the website, select the current program year and the form desired. It is the responsibility of the LEA to ensure that current program year forms are being utilized. LEAs that choose to use these prototype forms are not required to submit copies of the Parent Letter, Free and Reduced-Price Household application, and Notification Letter to ADE. However, if an LEA elects to develop their own Parent Letter, Free and Reduced-Price Household application, and/or Notification Letter, or modify the prototype document(s), all changes and/or modifications must be approved by the Arizona Department of Education, School Health and Nutrition Programs prior to distributing these documents to households. For additional information, refer to section 4 on Free and Reduced-Price Policy.</p> |
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| Meal Counting and Point of Service | <p><u>Meal Count and Point of Service</u></p> <p>Current procedures for meal counting and point of service must be indicated on the CNP Web Sponsor Household application, Section 6, Meal Counting and Point of Service. Any changes to the meal counting and/or point of service will require that the LEA revise Section 6 to reflect such changes and submit a new Sponsor Household application.</p> |
| After School Snack Program | <p><u>After School Snack Program Eligibility Household application</u></p> <p>Sites that meet the eligibility criteria and intend to the After School Snack Program (see below) must complete Section 10, After School Snack Program, on the site household application.</p> <p>CRITERIA FOR ELIGIBILITY FOR THE AFTER SCHOOL SNACK PROGRAM</p> <p>After School Snack Programs must be operated by a school that is eligible to operate the NLSP. The purpose of these programs must be to provide care in after school settings. After School Snack Programs must be organized to provide children with regularly scheduled activities in a setting that is structured and supervised (“regularly scheduled” does not mean that the program must occur daily).</p> <p>Eligible programs must include education or enrichment activities in an organized, structured and supervised environment. It must be stressed that any extracurricular activities such as the school choir, debate team, drama society, et al. can qualify to participate under this provision only if their basic purpose is to provide after school care as defined above. It must be emphasized that under no circumstances can athletic programs participating in interscholastic sports be approved as after school care programs under this provision (i.e. JV Basketball, Varsity Soccer, Swim Team, etc.).</p> <p>However, programs that include supervised athletic activity in conjunction with education or enrichment activities may participate. Eligible programs must be open to all students and must not limit membership for reasons other than space or security considerations, or, where applicable, licensing requirements.</p> <p>Eligible Sites</p> <p>The after school care program must be operated by the school and not another organization, although the school does not have to use the school’s personnel or school facilities to qualify. However, the school must retain final administrative and management responsibility for the program, including the program site. Furthermore, the Local Education Agency providing site oversight must enter into agreement with the State Agency and must assume full responsibility for meeting all program requirements. The school may then, if it wishes, arrange with another organization to</p> |

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| | <p>perform the day-to-day operations.</p> <p>Residential Child Care Institutions (RCCI's) and boarding schools that participate in the NSLP are eligible to operate the After School Snack Program as long as the above criteria are met.</p> |
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| <p>Menu Planning Overview CFR 220.8 (a), 210.10 (b)</p> | <p>The School Food Authority (SFA) must ensure that participating schools provide nutritious and well-balanced meals to all the children they serve as part of the National School Lunch and School Breakfast programs. Meals should incorporate the following recommendations from the 1995 Dietary Guidelines for Americans:</p> <ul style="list-style-type: none"> • Eat a variety of foods • Limit total fat to 30 percent of total calories • Limit saturated fat to less than 10 percent of total calories • Choose a diet low in cholesterol • Choose a diet with plenty of grain products, vegetables, and fruits • Choose a diet moderate in salt and sodium |
| <p>CN 13-08</p> | <p>Arizona schools should also incorporate the following recommendations from the 2005 Dietary Guidelines for Americans:</p> <ul style="list-style-type: none"> • Minimize trans fats in meals |
| <p>Nutritional Standards CFR 220.8 (a), 210.10 (b)</p> | <p>Schools must offer meals that at a minimum meet the following:</p> <ul style="list-style-type: none"> • Breakfast: Provision of one-fourth of the Recommended Daily Allowances (RDA) for protein, calcium, iron, vitamin A, vitamin C, and energy allowances (calories) in the appropriate level for the defined age/grade group • Lunch: Provision of one-third of the Recommended Daily Allowances (RDA) for protein, calcium, iron, vitamin A, vitamin C, and energy allowances (calories) in the appropriate level for the defined age/grade group • All Meals: Provision of less than 30% of total calories from fat and less than 10% of total calories from saturated fat |
| <p>CN 13-08</p> | <p>Arizona schools must also meet the following standards based on the 2005 Dietary Guidelines for Americans:</p> <ul style="list-style-type: none"> • Greater than 55% of total calories from carbohydrates • Less than 2 mg per calorie for sodium • Greater than 1g per 100 calories for fiber • Less than 75 mg of cholesterol for breakfast • Less than 100 mg of cholesterol for lunch |
| <p>Menu Planning Approaches</p> | <p>Schools may select either a Food Based menu planning approach or a Nutrient Based menu planning approach. Each menu planning approach follows an established meal pattern or nutrient analysis protocol that has been designed to meet established nutritional guidelines for a defined age/grade group. Since schools may serve age/grade groups that are different than the standards, multiple age/grade groups may need to be used when planning menus. The menu planning approaches and meal patterns are as follows.</p> |

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| <p>CFR 220.8 (c)(1), 210.10 (d)(1), 210.10 (l)(ii)</p> <p>CFR 220.8 (c)(2), 210.10 (d)(2), 210.10 (l)(iii)</p> <p>CFR 220.8 (a)(6), 210.10 (a)(3)</p> <p>CFR 220.8 (b)(1), 210.10 (c)(1), 210.10 (c)(3)</p> | <p>Food Based Menu Planning Approach - the food based menu planning approach requires specific food group components to be served in an established amount (at a minimum) that is designed to meet the nutritional guidelines for the established age/grade group. The four food group components established are meat/meat alternate (M/MA), grain/bread (G/B), vegetable/fruit (V/F), and milk. The school food authority is not required to complete a nutrient analysis when using a food based menu planning approach. The two food based meal patterns are as follows:</p> <ul style="list-style-type: none"> • Traditional Meal Pattern <ul style="list-style-type: none"> ○ Breakfast - established grade groups for preschool and K-12 ○ Lunch - established grade groups for preschool, K-3, 4-12, and 7-12 (optional). Schools that are unable to serve quantities based on grade groups may provide all students quantities for the 4-12 grade group • Enhanced Meal Pattern <ul style="list-style-type: none"> ○ Breakfast - established grade groups for preschool, K-12, and 7-12 (optional) ○ Lunch - established grade groups for preschool, K-6, 7-12, and K-3 (optional). Schools must use both the K-6 and 7-12 when more than one grade level falls outside of the grade group range <p>Nutrient Based Menu Planning Approach - the nutrient based menu planning approach utilizes USDA approved computer software to conduct a nutrient analysis of the menu served. The menu planned is required to meet the nutritional standards for the established age/grade groups when averaged over the school week. The school food authority is required to maintain all nutrient analysis records to demonstrate that meals meet nutritional standards. The Nutrient Standard Menu Planning (NSMP) option involves the school food authority completing the nutrient analysis. The Assisted Nutrient Standard Menu Planning (ANSMP) option involves a nutrient analysis that has been outsourced by the school food authority. Both options follow the same nutritional guidelines and the age/grade groupings are as follows:</p> <ul style="list-style-type: none"> • NSMP/ANSMP <ul style="list-style-type: none"> ○ Breakfast - established grade groups for preschool, K-12, 7-12 (optional) and age groups for 3-6, 7-10, 11-13, and 14 and older ○ Lunch - established grade groups for preschool, K-6, 7-12, K-3 (optional) and age groups for 3-6, 7-10, 11-13, and 14 and older. ○ Schools may also develop a customized level of nutrients for the age groups of students served |
|---|---|

| | |
|--|---|
| <p>Nutritional Compliance CFR 210.19(a)(1) CFR 210.10 (j)(3) CN #01-08, 28-09</p> | <p>No matter which menu planning approach a school food authority chooses, menus must still meet nutritional standards when averaged over a school week. Compliance to nutritional standards may be assessed as part of a School Meal Initiative (SMI) Review or as part of the pre-approval process for implementation of the nutrient based menu planning (NSMP, ANSMP) approach. The SMI review involves an ADE on-site assessment and a subsequent nutrient analysis (food based menu planning approach) or validation of a school's nutrient analysis (NSMP, ANSMP). The pre-approval process involves a validation of the school's nutrient analysis, menu cycle, and recipes prior to implementation of the nutrient standard menu planning approach.</p> <p>For additional information on menu planning, nutritional standards, and selecting the appropriate menu planning approach for your school, please refer to the USDA's Menu Planner for Healthy School Meals (FNS Instruction 303).</p> |
|--|---|

| Calorie and Nutrient Levels for Traditional School Breakfast | | | |
|---|------------------|--------------------|--|
| Grade Group | Preschool | Grades K-12 | |
| Energy Allowances (Calories) | 388 | 554 | |
| Cholesterol (mg) | < 75 | < 75 | |
| *Sodium (mg) | < 776 | < 1108 | |
| *Fiber (g) | > 3.88 | > 5.54 | |
| Iron (mg) | 2.5 | 3 | |
| Calcium (mg) | 200 | 257 | |
| Vitamin A (RE) | 113 | 197 | |
| Vitamin C (mg) | 11 | 13 | |
| Protein (g) | 5 | 10 | |
| *Carbohydrate (g) | 53.35 | 76.18 | |
| *Total Fat (g) | < 12.93 | < 18.47 | |
| *Saturated Fat (g) | < 4.31 | < 6.16 | |
| Trans Fat (g) | 0 | 0 | |

* Nutrient Levels based on target energy allowance.

| Calorie and Nutrient Levels for Traditional School Lunch | | | | |
|---|------------------|-------------------|--------------------|-------------------------------|
| Grade Group | Preschool | Grades K-3 | Grades 4-12 | Grades 7-12 (optional) |
| Energy Allowances (Calories) | 517 | 633 | 785 | 825 |
| Cholesterol (mg) | < 100 | < 100 | < 100 | < 100 |
| *Sodium (mg) | < 1034 | < 1266 | < 1570 | < 1650 |
| *Fiber (g) | > 5.17 | > 6.33 | > 7.85 | > 8.25 |
| Iron (mg) | 3.3 | 3.3 | 4.2 | 4.5 |
| Calcium (mg) | 267 | 237 | 370 | 400 |
| Vitamin A (RE) | 150 | 200 | 285 | 300 |
| Vitamin C (mg) | 14 | 15 | 17 | 18 |
| Protein (g) | 7 | 9 | 15 | 16 |
| *Carbohydrate (g) | 71.09 | 87.04 | 107.94 | 113.44 |
| *Total Fat (g) | < 17.23 | < 21.1 | < 26.17 | < 27.5 |
| *Saturated Fat (g) | < 5.74 | < 7.03 | < 8.72 | < 9.17 |
| Trans Fat (g) | 0 | 0 | 0 | 0 |

* Nutrient Levels based on target energy allowance.

| Calorie and Nutrient Levels for Enhanced School Breakfast | | | |
|--|------------------|--------------------|-------------------------------|
| Grade Group | Preschool | Grades K-12 | Grades 7-12 (optional) |
| Energy Allowances (Calories) | 388 | 554 | 618 |
| Cholesterol (mg) | < 75 | < 75 | < 75 |
| *Sodium (mg) | < 776 | < 1108 | < 1236 |
| *Fiber (g) | > 3.88 | > 5.54 | > 6.18 |
| Iron (mg) | 2.5 | 3 | 3.4 |
| Calcium (mg) | 200 | 257 | 300 |
| Vitamin A (RE) | 113 | 197 | 225 |
| Vitamin C (mg) | 11 | 13 | 14 |
| Protein (g) | 5 | 10 | 12 |
| *Carbohydrate (g) | 53.35 | 76.18 | 84.98 |
| *Total Fat (g) | < 12.93 | < 18.47 | < 20.6 |
| *Saturated Fat (g) | < 4.31 | < 6.16 | < 6.87 |
| Trans Fat (g) | 0 | 0 | 0 |

* Nutrient Levels based on target energy allowance.

| Calorie and Nutrient Levels for Enhanced School Lunch | | | | |
|--|------------------|-------------------|--------------------|------------------------------|
| Grade Group | Preschool | Grades K-6 | Grades 7-12 | Grades K-3 (optional) |
| Energy Allowances (Calories) | 517 | 664 | 825 | 633 |
| Cholesterol (mg) | < 100 | < 100 | < 100 | < 100 |
| *Sodium (mg) | < 1034 | < 1328 | < 1650 | < 1266 |
| *Fiber (g) | > 5.17 | > 6.64 | > 8.25 | > 6.33 |
| Iron (mg) | 3.3 | 3.5 | 4.5 | 3.3 |
| Calcium (mg) | 267 | 286 | 400 | 237 |
| Vitamin A (RE) | 150 | 224 | 300 | 200 |
| Vitamin C (mg) | 14 | 15 | 18 | 15 |
| Protein (g) | 7 | 10 | 16 | 9 |
| *Carbohydrate (g) | 71.09 | 91.30 | 113.44 | 87.04 |
| *Total Fat (g) | < 17.23 | < 22.13 | < 27.5 | < 21.1 |
| *Saturated Fat (g) | < 5.74 | < 7.38 | < 9.17 | < 7.03 |
| Trans Fat (g) | 0 | 0 | 0 | 0 |

* Nutrient Levels based on target energy allowance.

| Calorie and Nutrient Levels for Nutrient Standard School Breakfast | | | |
|---|------------------|--------------------|-------------------------------|
| Grade Group | Preschool | Grades K-12 | Grades 7-12 (optional) |
| Energy Allowances (Calories) | 388 | 554 | 618 |
| Cholesterol (mg) | < 75 | < 75 | < 75 |
| *Sodium (mg) | < 776 | < 1108 | < 1236 |
| *Fiber (g) | > 3.88 | > 5.54 | > 6.18 |
| Iron (mg) | 2.5 | 3 | 3.4 |
| Calcium (mg) | 200 | 257 | 300 |
| Vitamin A (RE) | 113 | 197 | 225 |
| Vitamin C (mg) | 11 | 13 | 14 |
| Protein (g) | 5 | 10 | 12 |
| *Carbohydrate (g) | 53.35 | 76.18 | 84.98 |
| *Total Fat (g) | < 12.93 | < 18.47 | < 20.6 |
| *Saturated Fat (g) | < 4.31 | < 6.16 | < 6.87 |
| Trans Fat (g) | 0 | 0 | 0 |

* Nutrient Levels based on target energy allowance.

| Calorie and Nutrient Levels for Nutrient Standard School Breakfast | | | | |
|---|------------|-------------|--------------|---------------------|
| Age Group | 3-6 | 7-10 | 11-13 | 14 and older |
| Energy Allowances (Calories) | 419 | 500 | 588 | 625 |
| Cholesterol (mg) | < 75 | < 75 | < 75 | < 75 |
| *Sodium (mg) | < 838 | < 1000 | < 1176 | < 1250 |
| *Fiber (g) | > 4.19 | > 5.00 | > 5.88 | > 6.25 |
| Iron (mg) | 2.5 | 2.5 | 3.4 | 3.4 |
| Calcium (mg) | 200 | 200 | 300 | 300 |
| Vitamin A (RE) | 119 | 175 | 225 | 225 |
| Vitamin C (mg) | 11 | 11.25 | 12.5 | 14.4 |
| Protein (g) | 5.5 | 7 | 11.25 | 12.5 |
| *Carbohydrate (g) | 57.61 | 68.75 | 80.85 | 85.94 |
| *Total Fat (g) | < 13.97 | < 16.67 | < 19.60 | < 20.83 |
| *Saturated Fat (g) | < 4.66 | < 5.56 | < 6.53 | < 6.94 |
| Trans Fat (g) | 0 | 0 | 0 | 0 |

* Nutrient Levels based on target energy allowance.

| Calorie and Nutrient Levels for Nutrient Standard School Lunch | | | | |
|---|------------------|-------------------|--------------------|------------------------------|
| Grade Group | Preschool | Grades K-6 | Grades 7-12 | Grades K-3 (optional) |
| Energy Allowances (Calories) | 517 | 664 | 825 | 633 |
| Cholesterol (mg) | < 100 | < 100 | < 100 | < 100 |
| *Sodium (mg) | < 1034 | < 1328 | < 1650 | < 1266 |
| *Fiber (g) | > 5.17 | > 6.64 | > 8.25 | > 6.33 |
| Iron (mg) | 3.3 | 3.5 | 4.5 | 3.3 |
| Calcium (mg) | 267 | 286 | 400 | 237 |
| Vitamin A (RE) | 150 | 224 | 300 | 200 |
| Vitamin C (mg) | 14 | 15 | 18 | 15 |
| Protein (g) | 7 | 10 | 16 | 9 |
| *Carbohydrate (g) | 71.09 | 91.30 | 113.44 | 87.04 |
| *Total Fat (g) | < 17.23 | < 22.13 | < 27.5 | < 21.1 |
| *Saturated Fat (g) | < 5.74 | < 7.38 | < 9.17 | < 7.03 |
| Trans Fat (g) | 0 | 0 | 0 | 0 |

* Nutrient Levels based on target energy allowance.

| Calorie and Nutrient Levels for Nutrient Standard School Lunch | | | | |
|---|------------|-------------|--------------|---------------------|
| Age Group | 3-6 | 7-10 | 11-13 | 14 and older |
| Energy Allowances (Calories) | 558 | 667 | 783 | 846 |
| Cholesterol (mg) | < 100 | < 100 | < 100 | < 100 |
| *Sodium (mg) | < 1116 | < 1334 | < 1566 | < 1692 |
| *Fiber (g) | > 5.58 | > 6.67 | > 7.83 | > 8.46 |
| Iron (mg) | 3.3 | 3.3 | 4.5 | 4.5 |
| Calcium (mg) | 267 | 267 | 400 | 400 |
| Vitamin A (RE) | 158 | 233 | 300 | 300 |
| Vitamin C (mg) | 14.6 | 15 | 16.7 | 19.2 |
| Protein (g) | 7.3 | 9.3 | 15.0 | 16.7 |
| *Carbohydrate (g) | 76.73 | 91.71 | 107.66 | 116.33 |
| *Total Fat (g) | < 18.60 | < 22.23 | < 26.10 | < 28.20 |
| *Saturated Fat (g) | < 6.20 | < 7.41 | < 8.70 | < 9.40 |
| Trans Fat (g) | 0 | 0 | 0 | 0 |

* Nutrient Levels based on target energy allowance.

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| Traditional Meal Pattern | <p>The traditional meal pattern requires that specific food group components be served in specific amounts (at a minimum) for the specified age/grade group required. Since the traditional meal pattern was designed before the dietary guidelines became a part of school meal requirements, this meal pattern does not have any built in features that help with compliance to nutritional standards. For this reason, extra focus should be placed on implementing the dietary guidelines when utilizing the traditional meal pattern. The food group component requirements for breakfast and lunch are as follows:</p> |
| Traditional Meal Pattern Requirements CFR 220.8 (g)(1) 210.10 (k)(1) | <p>Daily Breakfast Requirements</p> <ul style="list-style-type: none"> • One serving from the milk component • One serving from the vegetable/fruit component • Two servings selected from the meat/meat alternate and/or the grain/bread components or a combination thereof <p>Daily Lunch Requirements</p> <ul style="list-style-type: none"> • One serving from the milk component • One serving from the meat/meat alternate component • Two separate servings from two distinct sources of the vegetable/fruit component • One serving from the grain/bread component <p>Weekly Lunch Requirements</p> <ul style="list-style-type: none"> • Additional grain/bread servings in excess of the minimum daily requirement • The required minimum quantity of the meat/meat alternate component may be offered as a weekly total with a one ounce minimum daily serving size |
| CFR 210.10 (k)(5)(ii) | |
| CFR 210.10 (l)(2)(i) | |
| CFR 210.10 (k)(3) | <p>Meat/Meat Alternate Requirements</p> <ul style="list-style-type: none"> • The quantity of the meat/meat alternate component must be a verifiable (food buying guide or CN label) edible portion as served • The meat/meat alternate component must be served in the main dish/dishes and no more than one other food item • Schools without a variety of daily main dish choices for the meat/meat alternate component should not serve any one meat alternate or one form of meat (for example: ground beef, diced, pieces) more than three times in the same week • Nuts/seeds may not be credited for more than one ounce during breakfast and for more than 50% of the minimum requirement for lunch • Dry beans and peas may count as a vegetable/fruit or meat/meat alternate, but not as both in the same meal |

| | |
|-----------------------------------|---|
| CFR 210.10 (k)(5)(i) | Grain/Bread Requirements <ul style="list-style-type: none"> • All grains/breads must be enriched, whole grain, or made with enriched or whole grain meal/flour |
| CFR 210.10 (K)(4)(i) | Vegetable/Fruit Requirements <ul style="list-style-type: none"> • At least two distinct sources of separate servings of vegetables and/or fruits must be offered during lunch • Full strength vegetable or fruit juice may be used to meet no more than 1/2 of the total requirement for vegetables/fruits during lunch • Cooked dry beans and peas may count as a vegetable/fruit or meat/meat alternate, but not as both in the same meal |
| CFR 210.10 (m)(1)(i) | Milk Requirements <ul style="list-style-type: none"> • Schools must offer fluid milk in a variety of fat contents during lunch |
| CFR 220.8 (g)(2) 210.10 (k)(1) | Minimum Quantities for Reimbursable Meals <ul style="list-style-type: none"> • At a minimum, schools must offer all food group components in the quantities specified for breakfast (see Traditional Meal Pattern - Breakfast) • At a minimum, schools must offer all food group components in the quantities specified for lunch (see Traditional Meal Pattern - Lunch) |

| TRADITIONAL MEAL PATTERN - BREAKFAST | | | |
|---|--------------------|--------------------|------------------|
| Minimum Required Quantities | | | |
| Meal Component | Ages 1-2 | Ages 3-5 | Grades K-12 |
| Milk (fluid) | | | |
| As a beverage, on cereal, or both | 4 fluid oz. | 6 fluid oz. | 8 fluid oz. |
| Vegetables/Fruits | | | |
| Fruit and/or vegetable; or full-strength fruit juice or vegetable juice | 1/4 cup | 1/2 cup | 1/2 cup |
| <i>Offer one serving from each of the following two components or two servings from one of the following two components</i> | | | |
| Grains/Breads¹ | | | |
| Whole-grain or enriched bread | 1/2 slice | 1/2 slice | 1 slice |
| Whole-grain or enriched biscuit, roll, muffin, etc. | 1/2 serving | 1/2 serving | 1 serving |
| Whole-grain, enriched or fortified cereal | 1/4 cup or 1/3 oz. | 1/3 cup or 1/2 oz. | 3/4 cup or 1 oz. |
| Meats/Meat Alternates² | | | |
| Lean meat, poultry, or fish | 1/2 oz. | 1/2 oz. | 1 oz. |
| Alternate protein products ³ | 1/2 oz. | 1/2 oz. | 1/2 oz. |
| Cheese | 1/2 oz. | 1/2 oz. | 1 oz. |
| Large egg | 1/2 egg | 1/2 egg | 1/2 egg |
| Peanut butter or other nut/seed butters | 1 Tbsp. | 1 Tbsp. | 2 Tbsp. |
| Cooked dry beans and peas | 2 Tbsp. | 2 Tbsp. | 4 Tbsp. |
| Nuts and/or seeds ⁴ | 1/2 oz. | 1/2 oz. | 1 oz. |
| Yogurt, plain or flavored, unsweetened or sweetened | 2 oz. or 1/4 cup | 2 oz. or 1/4 cup | 4 oz. or 1/2 cup |

¹ Refer to USDA Food Buying Guide for additional information on calculating required serving equivalents for various types of Grains/Breads

² Refer to the USDA Food Buying Guide for additional information on calculating required serving equivalents for various types of Meats/Meat Alternates or refer to USDA approved CN label for serving equivalents of processed foods

³ Must follow requirement for 7CFR Parts 210 and 220 Appendix A (ex. soy flour, soy isolate, soy concentrates, whey protein concentrates, whey protein isolate, and casein)

⁴ No more than one ounce of nuts and/or seeds may be served in any one meal

| TRADITIONAL MEAL PATTERN - LUNCH | | | | | |
|--|--|--------------------------------------|--------------------------------------|--------------------------------------|---------------------------------------|
| Minimum Required Quantities | | | | | |
| Grade Group | Preschool | | K-3 | 4-12 | 7-12 |
| Age Group | 1-2 | 3-4 | 5-8 | 9 and older | 12 and older |
| Meal Component | Group I | Group II | Group III | Group IV | Group V |
| Milk (fluid) | | | | | |
| As a beverage | 6 fluid oz. | 6 fluid oz. | 8 fluid oz. | 8 fluid oz. | 8 fluid oz. |
| Meats/Meat Alternates¹ | | | | | |
| Lean meat, poultry, or fish | 1 oz. | 1.5 oz. | 1.5 oz. | 2 oz. | 3 oz. |
| Alternate protein product ² | 1 oz. | 1.5 oz. | 1.5 oz. | 2 oz. | 3 oz. |
| Cheese | 1 oz. | 1.5 oz. | 1.5 oz. | 2 oz. | 3 oz. |
| Large egg | 1/2 egg | 3/4 egg | 3/4 egg | 1 egg | 1.5 eggs |
| Cooked dry beans or peas | 1/4 cup | 3/8 cup | 3/8 cup | 1/2 cup | 3/4 cup |
| Peanut butter or other nut/seed butters | 2 Tbsp. | 3 Tbsp. | 3 Tbsp. | 4 Tbsp. | 6 Tbsp. |
| Yogurt, plain or flavored, unsweetened or sweetened | 4 oz. or 1/2 cup | 6 oz. or 3/4 cup | 6 oz. or 3/4 cup | 8 oz. or 1 cup | 12 oz. or 1.5 cups |
| Nuts and/or seeds ³ | 1/2 oz. = 50% | 3/4 oz. = 50% | 3/4 oz. = 50% | 1 oz. = 50% | 1.5 oz. = 50% |
| Vegetables/Fruits | | | | | |
| Amount equal to or greater than the amount specified from two distinctly separate sources (two separate menu items) of fruits and vegetables | 1/2 cup | 1/2 cup | 1/2 cup | 3/4 cup | 3/4 cup |
| Grains/Breads⁴ | | | | | |
| Amount equal to or greater than the daily and weekly amounts specified from an enriched or whole grain product | 1/2 serving daily 5 servings weekly | 1 serving daily 8 servings weekly | 1 serving daily 8 servings weekly | 1 serving daily 8 servings weekly | 1 serving daily 10 servings weekly |

¹ Refer to the USDA Food Buying Guide for additional information on calculating required serving equivalents for various types of Meats/Meat Alternates or refer to USDA approved CN label for serving equivalents of processed foods

² Must follow requirement for 7CFR Parts 210 and 220 Appendix A (ex. soy flour, soy isolate, soy concentrates, whey protein concentrates, whey protein isolate, and casein)

³ May be used to meet no more than 50% of the minimum requirement and must be used in combination with a quantity of meat/meat alternate that meets the overall minimum requirement

⁴ Refer to USDA Food Buying Guide for additional information on calculating required serving equivalents for various types of Grains/Breads

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| Enhanced Meal Pattern | <p>The enhanced meal pattern requires that specific food group components be served in specific amounts (at a minimum) for the specified age/grade group required. The enhanced meal pattern has been specifically designed to help schools meet the nutritional standards by requiring additional amounts of grain/bread and vegetable/fruit components.</p> |
| Enhanced Meal Pattern Requirements CFR 220.8 (g)(1) 210.10 (k)(1) | <p>Daily Breakfast Requirements</p> <ul style="list-style-type: none"> • One serving from the milk component • One serving from the vegetable/fruit component • Two servings selected from the meat/meat alternate and/or the grain/bread components or a combination thereof <p>Daily Lunch Requirements</p> <ul style="list-style-type: none"> • One serving from the milk component • One serving from the meat/meat alternate component • Two separate servings from two distinct sources of the vegetable/fruit component • One serving from the grain/bread component |
| CFR 210.10 (k)(5)(ii) | <p>Weekly Lunch Requirements</p> <ul style="list-style-type: none"> • Additional grain/bread servings in excess of the minimum daily requirement |
| CFR 210.10 (l)(2)(i) | <ul style="list-style-type: none"> • The required minimum quantity of the meat/meat alternate component may be offered as a weekly total with a one ounce minimum daily serving size |
| CFR 210.10 (k)(3) | <p>Meat/Meat Alternate Requirements</p> <ul style="list-style-type: none"> • The quantity of the meat/meat alternate component must be a verifiable (food buying guide or CN label) edible portion as served • The meat/meat alternate component must be served in the main dish/dishes and no more than one other food item • Schools without a variety of daily main dish choices for the meat/meat alternate component should not serve any one meat alternate or one form of meat (for example: ground beef, diced, pieces) more than three times in the same week • Nuts/seeds may not be credited for more than one ounce during breakfast and for more than 50% of the minimum requirement for lunch • Dry beans and peas may count as a vegetable/fruit or meat/meat alternate, but not as both in the same meal |
| CFR 210.10 (k)(5)(i) | <p>Grain/Bread Requirements</p> <ul style="list-style-type: none"> • All grains/breads must be enriched, whole grain, or made with enriched or whole grain meal/flour |

| | |
|-----------------------------------|--|
| CFR 210.10 (K)(4)(i) | Vegetable/Fruit Requirements <ul style="list-style-type: none"> • At least two separate servings of vegetables and/or fruits must be offered during lunch • Full strength vegetable or fruit juice may be used to meet no more than 1/2 of the total requirement for vegetables/fruits during lunch • Dry beans and peas may count as a vegetable/fruit or meat/meat alternate, but not as both in the same meal |
| CFR 210.10 (m)(1)(i) | Milk Requirements <ul style="list-style-type: none"> • Schools must offer fluid milk in a variety of fat contents during lunch |
| CFR 220.8 (g)(3) 210.10 (k)(2) | Minimum Quantities for Reimbursable Meals <ul style="list-style-type: none"> • At a minimum, schools must offer all food group components in the quantities specified for breakfast (see Enhanced Meal Pattern - Breakfast) • At a minimum, schools must offer all food group components in the quantities specified for lunch (see Enhanced Meal Pattern - Lunch) |

| ENHANCED MEAL PATTERN - BREAKFAST | | | | |
|---|--------------------|--------------------|------------------|---|
| Minimum Required Quantities | | | | |
| Meal Component | Ages 1-2 | Preschool | K-12 | 7-12 |
| Milk (fluid) | | | | |
| As a beverage, on cereal, or both | 4 fluid oz. | 6 fluid oz. | 8 fluid oz. | 8 fluid oz. |
| Vegetables/Fruits | | | | |
| Fruit and/or vegetable; or full-strength fruit juice or vegetable juice | 1/4 cup | 1/2 cup | 1/2 cup | 1/2 cup |
| <i>Offer one serving from each of the following two components or two servings from one of the following two components</i> | | | | |
| Grains/Breads¹ | | | | |
| Whole-grain or enriched bread | 1/2 slice | 1/2 slice | 1 slice | 1/2 slice |
| Whole-grain or enriched biscuit, roll, muffin, etc. | 1/2 serving | 1/2 serving | 1 serving | 1/2 serving |
| Whole-grain, enriched or fortified cereal | 1/4 cup or 1/3 oz. | 1/4 cup or 1/3 oz. | 3/4 cup or 1 oz. | 1/4 cup or 1/3 oz. plus 1 additional serving |
| Meats/Meat Alternates² | | | | |
| Lean meat, poultry, or fish | 1/2 oz. | 1/2 oz. | 1 oz. | 1 oz. |
| Alternate protein products ³ | 1/2 oz. | 1/2 oz. | 1 oz. | 1 oz. |
| Cheese | 1/2 oz. | 1/2 oz. | 1 oz. | 1 oz. |
| Large egg | 1/2 egg | 1/2 egg | 1/2 egg | 1/2 egg |
| Peanut butter or other nut/seed butters | 1 Tbsp. | 1 Tbsp. | 2 Tbsp. | 2 Tbsp. |
| Cooked dry beans and peas | 2 Tbsp. | 2 Tbsp. | 4 Tbsp. | 4 Tbsp. |
| Nuts and/or seeds ⁴ | 1/2 oz. | 1/2 oz. | 1 oz. | 1 oz. |
| Yogurt, plain or flavored, unsweetened or sweetened | 2 oz. or 1/4 cup | 2 oz. or 1/4 cup | 4 oz. or 1/2 cup | 4 oz. or 1/2 cup |

¹ Refer to USDA Food Buying Guide for additional information on calculating required serving equivalents for various types of Grains/Breads

² Refer to the USDA Food Buying Guide for additional information on calculating required serving equivalents for various types of Meats/Meat Alternates or refer to USDA approved CN label for serving equivalents of processed foods

³ Must follow requirement for 7CFR Parts 210 and 220 Appendix A (ex. soy flour, soy isolate, soy concentrates, whey protein concentrates, whey protein isolate, and casein)

⁴ No more than one ounce of nuts and/or seeds may be served in any one meal

| ENHANCED MEAL PATTERN - LUNCH | | | | | |
|--|--|--|---|---|---|
| Minimum Required Quantities | | | | | |
| Meal Component | Ages 1-2 | Preschool | K-6 | 7-12 | K-3 |
| Milk (fluid) | | | | | |
| As a beverage | 6 fluid oz. | 6 fluid oz. | 8 fluid oz. | 8 fluid oz. | 8 fluid oz. |
| Meats/Meat Alternates¹ | | | | | |
| Lean meat, poultry, or fish | 1 oz. | 1.5 oz. | 2 oz. | 2 oz. | 1.5 oz. |
| Alternate protein product ² | 1 oz. | 1.5 oz. | 2 oz. | 2 oz. | 1.5 oz. |
| Cheese | 1 oz. | 1.5 oz. | 2 oz. | 2 oz. | 1.5 oz. |
| Large egg | 1/2 egg | 3/4 egg | 1 egg | 1 egg | 3/4 egg |
| Cooked dry beans or peas | 1/4 cup | 3/8 cup | 1/2 cup | 1/2 cup | 3/8 cup |
| Peanut butter or other nut/seed butters | 2 Tbsp. | 3 Tbsp. | 4 Tbsp. | 4 Tbsp. | 3 Tbsp. |
| Yogurt, plain or flavored, unsweetened or sweetened | 4 oz. or 1/2 cup | 6 oz. or 3/4 cup | 8 oz. or 1 cup | 8 oz. or 1 cup | 6 oz. or 3/4 cup |
| Nuts and/or seeds ³ | 1/2 oz. = 50% | 3/4 oz. = 50% | 3/4 oz. = 50% | 1 oz. = 50% | 3/4 oz. = 50% |
| Vegetables/Fruits | | | | | |
| Amount equal to or greater than the amount specified from two distinctly separate sources (two separate menu items) of fruits and vegetables | 1/2 cup | 1/2 cup | 3/4 cup Plus extra 1/2 cup over a week | 1 cup | 3/4 cup |
| Grains/Breads⁴ | | | | | |
| Amount equal to or greater than the daily and weekly amounts specified from an enriched or whole grain product | 1/2 serving daily 5 servings weekly | 1 serving daily 8 servings weekly | 1 serving daily 12 servings weekly | 1 serving daily 15 servings weekly | 1 serving daily 10 servings weekly |

¹ Refer to the USDA Food Buying Guide for additional information on calculating required serving equivalents for various types of Meats/Meat Alternates or refer to USDA approved CN label for serving equivalents of processed foods

² Must follow requirement for 7CFR Parts 210 and 220 Appendix A (ex. soy flour, soy isolate, soy concentrates, whey protein concentrates, whey protein isolate, and casein)

³ May be used to meet no more than 50% of the minimum requirement and must be used in combination with a quantity of meat/meat alternate that meets the overall minimum requirement

⁴ Refer to USDA Food Buying Guide for additional information on calculating required serving equivalents for various types of Grains/Breads

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| Creditable Food Requirements | <p>The food based menu planning approach requires that minimum amounts of food group components (meat/meat alternate, grain/bread, vegetable/fruit, and milk) be offered to students as part of a reimbursable meal. In order to meet the program requirements for reimbursement, the contributions for each food group component need to be determined.</p> |
| FNS 303 | <p>The word(s) “credit, creditable” is used to acknowledge that a particular food item meets the requirements of at least one of the four required food components. Only food items that can be verified as creditable can be counted as meeting the meal pattern requirements. There are three resources available to determine whether or not a food item is considered a creditable food.</p> |
| CFR 210.10(k)(5)(ii) | <p>The first resource is the USDA Food Buying Guide for Child Nutrition Programs (Program Aid 1331). The food buying guide allows school food authorities to utilize a product’s standard of identity and/or a standardized recipe to determine the specific food component contribution that each food item and/or recipe makes toward the meal pattern requirement. Contribution guidelines are as follows:</p> <p>Meat/Meat Alternate Requirements</p> <ul style="list-style-type: none"> • Determination of yields for calculating edible portions of meats served <p>Vegetable/Fruit Requirements</p> <ul style="list-style-type: none"> • Determination of vegetable/fruit servings from vegetable and fruit concentrates <p>Grain/Bread Requirements</p> <ul style="list-style-type: none"> • Criteria for determining acceptable grains/breads • Determination of grain/bread servings based on amount of grains used in a recipe or the serving size of the bread/grain served |
| CFR 210 App. A | <p>The second resource available is Appendix A to CFR Part 210 which covers Alternate Foods for Meals. This appendix covers the requirements for enriched macaroni products with fortified protein and alternate protein products.</p> <p><i>Please refer to Appendix A in the Program Resource Section</i></p> |
| CFR 210 App. C | <p>The third resource available is the Child Nutrition (CN) Labeling Program. The CN labeling program is a voluntary program that warrants the meal pattern contributions of nonspecific processed products. When used in accordance manufacturer’s directions, products that bear a CN label carry a warranty that assures a school food authority will not have an audit claim filed for noncompliance with meal pattern requirements.</p> |

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| <p>Non-Creditable Foods PA 1331, 1-2</p> <p>CN 38-05 PA 1331, 1-24¹⁴</p> <p>CFR 210.10 (k)(3)(iii)</p> <p>PA 1331, 2-4</p> <p>PA 1331, 2-4 CN 10-08</p> | <p>The food buying guide also contains information on foods that are not creditable under the food based menu planning approach. The following foods are not creditable for both the traditional and enhanced meal patterns.</p> <p>Meat/Meat Alternate</p> <ul style="list-style-type: none"> • Nonspecific processed products such as chicken nuggets, breaded steak fingers, beef burritos, etc. may not be credited using the food buying guide. Nonspecific processed products do not require a minimum amount of meat by FSIS labeling standards of identity. There is no general way to determine how much meat or poultry is contained in these products, especially since each manufacturer has its own formulation. For this reason these food items are not creditable, unless the school food authority obtains a CN label for the nonspecific processed products being used • Cheese with the wording “imitation” cheese and/or cheese “product” are not creditable • Yogurt is not creditable if it is a non-commercial and/or non standardized yogurt product such as frozen yogurt, homemade yogurt, yogurt flavored products, yogurt bars, yogurt covered fruit and/or nuts, or a similar product <p>Vegetable/Fruit</p> <ul style="list-style-type: none"> • Snack type foods made from vegetables or fruits, such as potato chips, banana chips, or popcorn • Pickle relish, jam, or jelly • Tomato catsup (ketchup) and chili sauce • Home canned products • Dehydrated vegetables used for seasoning <p>Grains/Breads (as a main ingredient)</p> <ul style="list-style-type: none"> • Bromated flour • Corn grits • De-germinated cornmeal • Bolted cornmeal • Durum flour • Farina • Flour • Plain flour • Self rising flour • Semolina flour • White flour • Wheat flour |
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| <p>Production and Menu Records CFR 210.10 (a)(3), 220.8 (a)(6), 210.18 (g)(2)(iii), 210.19 (a)(1)(C)(iv), 210.10(i)(1)(ii)</p> <p>CFR 210 App. C (6)</p> | <p>Schools must keep production records and other applicable menu records for the meals they produce. These records must show how the meals contribute to the required food components (M/MA, V/F, G/B, and Milk) every day. In addition, these records must show how the meals contribute to the applicable nutrition standards for the selected age/grade group. All records will be evaluated for compliance during the Coordinated Review Effort (CRE) and the School Meals Initiative (SMI) reviews. There are four key menu records that help document how meals contribute to the meal pattern and applicable nutrition standards. These records are as follows:</p> <p>Nutrition fact labels The nutrition fact label documents the nutrient values of a product for a specified serving size. Federal regulations require that all commercially prepared food products, which do not contain a standard of identity as established by FSIS, to have a nutrition fact label. School food authorities are required to maintain nutrition fact labels for all food items served as part of a reimbursable meal. A manufacturer's product specification that contains all required nutrient values may also be used as documentation</p> <p><u>Child Nutrition labels</u> A CN label carries a warranty that assures the school food authority that it will not have an audit claim filed for noncompliance with meal pattern requirements. School food authorities should maintain CN labels for all nonspecific processed products that they consider to have contributed to the meal pattern.</p> <p><u>Standardized Recipes</u> A standardized recipe is a recipe that was tested to provide an established yield (based on USDA Food Buying Guide and/or manufacturer product specifications) and quantity, using the same ingredients for both measurement and preparation methods. School food authorities are required to maintain standardized recipes for all menu items that are comprised of more than 1 item be served in order to accurately document the nutrient content of the menu. This includes recipe variations and theme bar recipes. Standardized recipes may be either USDA recipes or any other local recipe that has been incorporated in to the menu. It is recommended that local standardized recipes include the following fields:</p> <ul style="list-style-type: none"> • Recipe name - a name that adequately describes the menu item • Recipe number - a distinct number that differentiates recipe variations for reference on production records • Recipe category - category based on menu item (main dish) or food component (grain/bread) • Recipe contributions - the food component contribution(s) (M/MA, V/F, G/B) for the recipe as served • Ingredients - listing of ingredients and amounts used based on applicable weight or volume measurements |
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| <p>Production and Menu Records (continued) CN 07-06</p> | <ul style="list-style-type: none"> • Serving/portion Size - the amount of a single portion based on an applicable weight or volume measure • Recipe yield - the total amount of defined servings based on an applicable weight or volume measurement • Directions - any applicable directions related to the preparation, equipment used, utensils used, safety precautions, etc. • HACCP process category - applicable categorization for same day, no cook, or complex food process • HACCP instructions - applicable critical limits, food safety procedures, and/or corrective actions required <p>For more information on USDA standardized recipes please refer to the USDA Recipes for Schools Manual (FNS Instruction 395)</p> <p><u>Production Records</u></p> <p>Arizona schools operating the NSLP are required to maintain completed production records for all reimbursable meals that are claimed. The production record documents the foods (as supported by Nutrition Fact Labels) used and the meal contributions/quantities (as supported by CN labels and standardized recipes) for all meals that are claimed for reimbursement. Separate daily production records for breakfast and lunch must include the following fields:</p> <ul style="list-style-type: none"> • Meal Pattern and Age/Grade Group - the name of the meal pattern used and the age/grade group(s) utilized • Menu items - name of each menu item served (including non-creditable foods, condiments, and substitutions) • Recipe - name or number of each standardized recipe used for each applicable menu item served • Serving size - the planned serving size for each distinct age/grade group under the respective meal pattern • Planned servings for reimbursable meals - the total number of servings planned for each distinct age/grade group under the respective meal pattern • Planned servings for non-reimbursable meals - the total number of servings planned for adult (program and non-program) and a la carte meals • Total amount of food prepared/used - the actual (final) amount of food that was prepared/used by menu item/recipe • Reimbursable meal served - the total actual number of reimbursable meals served (meal claimed for reimbursement) for each distinct age/grade group • Non-reimbursable meals served - the total actual number of non-reimbursable meals served to adults or sold a la carte • Leftovers - the total amount of food remaining for each menu item served |
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| <p>Menu Substitutions</p> <p>CFR 220.8 (d)(1), 210.10 (g)(1)</p> | <ul style="list-style-type: none"> • Inclusion of the following fields are recommended but not required on production records: • HACCP monitoring - final cooking, hot holding, and/or cold holding temperature for potentially hazardous foods served <p>Un-approved Production and Menu Record Documentation</p> <ul style="list-style-type: none"> • Literature used by a company for advertising purposes may not be used to support a menu's nutritional content and/or a menu's meal pattern contribution <p>Menu Substitutions</p> <p>All menu substitutions must meet the applicable food based meal pattern requirements in order to qualify as a reimbursable meal. Case specific menu substitutions may be allowed for the following reasons:</p> <p>Special Dietary Needs</p> <ul style="list-style-type: none"> • Schools must make substitutions in meals for students who are considered to have a disability (refer to the Special Dietary needs manual for documentation requirements) which restricts their diet • Schools may also make substitutions for students who do not have a disability but who cannot consume the regular lunch due to other special dietary needs <p>Religious, Ethnic, or Economic Needs</p> <ul style="list-style-type: none"> • Variations in the food component and meal pattern may be approved by USDA FNS. Any variations must be nutritionally sound and need to meet ethnic, religious, or economic needs <p>For complete guidance on menu substitutions please refer to the ADE Special Dietary Needs Manual.</p> |
| <p>Offer versus Serve</p> <p>CFR 210.10 (k)(6)</p> <p>FNS 303</p> | <p>Offer versus Serve</p> <p>Offer versus Serve (OVS) is a provision that allows students to decline a certain number of food items offered as part of the reimbursable meal. Offer vs. Serve is a provision that can be implemented to help minimize plate waste and to allow for an increased variety of foods to be offered. Offer vs. Serve does not impact the requirements for the food based menu planning approach or the traditional and enhanced meal patterns. School food authorities are still required to plan a menu that meets the requirements of the meal pattern selected.</p> <p>Implementation of the OVS provision is required at lunch for students in grades 9-12. The School Food Authority can choose whether or not to implement OVS during lunch in grades K-8 and during breakfast for all grade levels. The requirements for offer vs. serve are as follows:</p> |

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| <p>Offer versus Serve Requirements (continued) FNS 303</p> | <p>Breakfast – Component Based</p> <ul style="list-style-type: none"> • Students must be offered all four required items (one serving of milk, one serving of vegetable/fruit, and two servings selected from meat/meat alternate and/or grain/bread) in an amount/portion size that meets the minimum required for the age/grade group of the respective meal pattern (Traditional or Enhanced) • Students have the option of declining one of the four food items/components • For an OVS breakfast to qualify as reimbursable, the meal selected by the student must contain a minimum of three components in at least the minimum amount/portion size specified by the respective meal pattern • Double servings of grains/breads and meats/meat alternates may be credited for up to two servings under the OVS requirement for a reimbursable meal • Double servings of the same food or servings in excess of the minimum amount/portion required for milk and vegetables/fruits may only be credited as one serving under the OVS requirement for a reimbursable meal <p>Lunch – Component Based</p> <ul style="list-style-type: none"> • Students must be offered all five required items (one serving of milk, one serving of meat/meat alternate, one serving of grain/bread, and two separate servings of vegetable/fruit) from the four food components in an amount/portion size that meets the minimum required for the age/grade group of the respective meal pattern (Traditional or Enhanced) • Students in grades 9-12, have the option to decline two of the five items/components • Based on the decision of the school food authority, students in grades K-8, have the option to decline one or two of the five items/components • For an OVS lunch to qualify as reimbursable, the meal selected by the student must contain a minimum of three components in at least the minimum amount/portion size specified by the respective meal pattern • Double servings of the same food item or servings in excess of the minimum amount/portion required may only be credited as one serving under the OVS requirement for a reimbursable meal • If the required amount/portion of meat/meat alternate is provided in two items, a student must take full servings of both items in order to be credited as one serving under the OVS requirement for a reimbursable meal • One serving of vegetables/fruits may only be credited if the portion size is a minimum of ¼ cup. Two servings of vegetables/fruits may only be credited if the portion size is a minimum of ¾ cup from two |
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| <p>Offer versus Serve Requirements (continued)</p> <p>FNS 303</p> | <p>distinct sources.</p> <ul style="list-style-type: none"> • School food authorities serving grades 9-12 and that utilize a pre-plated system to provide meals may not be required to change their service methods. Schools should consider pre-packaging as many portions as possible to accommodate the offer versus serve provision <p>Breakfast and Lunch</p> <ul style="list-style-type: none"> • Menus should be planned to allow employees to identify the correct combination of food items/components that constitute a reimbursable meal at the point of service • The reimbursable meal is still required to be priced as a unit regardless of the student's decision to take the minimum or maximum amount of food items/components • Students may take less than the minimum amount/portion size of food specified for the allowable amount of declined items • Food items/components taken in amounts/portion sizes and/or combinations that are less than required for a reimbursable meal may not be claimed for reimbursement and should be priced accordingly (a la carte sales) by the SFA <p>For additional information on meal pattern requirements related to offer versus serve, please refer to the USDA's Menu Planner for Healthy School Meals (FNS Instruction 303). For more information on implementation of offer vs. serve please refer to the USDA's Offer versus Serve Resource Guide (FNS Instruction 265).</p> |
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| <p>Nutrient Standard Menu Planning CFR 210.10 (i)(2)(i)</p> | <p>The nutrient standard menu planning option involves the SFA planning and serving a menu that already meets nutritional standards for the specified age/grade group served. The school food authority analyzes all menus using USDA approved computer software to ensure that the planned menu meets nutritional standards for calories, protein, calcium, iron, vitamin A, vitamin C, sodium, cholesterol, fiber, total fat, saturated fat, and carbohydrates when averaged over a week. The school food authority is responsible for re-analyzing menus when new food products are utilized, when recipes change, when student preferences change, and/or when menu substitutions occur. The school food authority is also responsible for maintaining menu nutrient analysis records that document that menus planned meet the nutritional standards and are eligible for reimbursement.</p> |
| <p>Assisted Nutrient Standard Menu Planning CFR 210.10 (j)(1) 210.10 (i)(2)(i)</p> | <p>When a SFA is unable to complete all of the procedures required for nutrient standard menu planning, they may choose to outsource the menu development and nutrient analysis duties. These duties are commonly outsourced to consultants, other school food authorities, and food service management companies. In assisted nutrient standard menu planning the consultant (designated outsource agent) analyzes all menus using a USDA approved computer software to ensure that the planned menu meets nutritional standards for calories, protein, calcium, iron, vitamin A, vitamin C, sodium, cholesterol, fiber, total fat, saturated fat, and carbohydrates when averaged over a week. The consultant is responsible for re-analyzing menus when new food products are utilized, when recipes change, when student preferences change, and/or when menu substitutions occur. The school food authority is still responsible for maintaining menu nutrient analysis records that document that menus planned meet the nutritional standards and are eligible for reimbursement.</p> |
| <p>Nutrient Based Menu Planning Requirements CFR 210.10 (i)(1)(c)(2) 220.8 (e)(1)(ii)</p> | <p>Menus planned using the nutrient based menu planning approaches must meet the minimum levels for nutrients for the required age or grade groups served and must meet the minimum established standards for menu structure. School food authorities may utilize age or grade groups for the majority of children if no more than one age or grade group falls outside of the established range. Under nutrient standard menu planning school food authorities may also customize nutrient and calorie levels (in accordance with USDA approved methods) for the children they serve.</p> |
| <p>CFR 210.10 (i)(2)(i) 220.8 (e)(2)(i) FNS 303</p> | <p>Menus planned using the nutrient based menu planning approaches are required to have a defined menu structure that is used in nutrient analysis and that identifies reimbursable meals. The minimum requirements for menu structure of breakfast and lunch are as follows:</p> |

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| <p>Nutrient Based Menu Planning Requirements (continued) CFR 210.10 (i)(2)(i) 220.8 (e)(2)(i) FNS 303</p> | <p>Minimum Breakfast Requirements for Reimbursable Meals</p> <ul style="list-style-type: none"> • Must include a minimum of three distinct menu items or foods that include the following: <ul style="list-style-type: none"> ○ Fluid milk ○ Two side dishes in planned portion sizes defined by the menu planner • Additional menu items or foods in planned portion sizes defined by the menu planner that are necessary to meet nutritional standards • A variety of menu items may be planned and grouped together for students to select (fluid milks, group 1 sides, group 2 sides) <p>Minimum Lunch Requirements for Reimbursable Meals</p> <ul style="list-style-type: none"> • Must include a minimum of three distinct menu items or foods that include the following: <ul style="list-style-type: none"> ○ Fluid milk ○ An entrée in a planned portion size defined by the menu planner ○ One side dish in a planned portion size defined by the menu planner • Additional menu items or foods in planned portion sizes defined by the menu planner that are necessary to meet nutritional standards • A variety of menu items may be planned and grouped together for students to select (fluid milks, entrees, sides) <p>For more information on menu planning requirements and menu structure please refer to the USDA Menu Planner for Healthy School Meals (FNS Instruction 303)</p> |
| <p>Nutrient Analysis Procedures 210.10 (i)(3) 220.8 (e)(3) CN 10-07, 09-10</p> <p>CFR 210.10 (i)(5) CFR 220.8 (e)(5)</p> | <p>School food authorities using nutrient based menu planning approaches must conduct a nutrient analysis (utilizing USDA approved software) on all menu items and foods offered as part of the reimbursable meal. This includes all condiments and/or theme bars that are made available as part of reimbursable meal service. The nutrient analysis is conducted for the reimbursable meals served during the school week. The nutrient analysis must include levels of calories, proteins, vitamin A, vitamin C, iron, calcium, total fat, saturated fat, sodium, cholesterol, and dietary fiber. The school food authority has the option of conducting the nutrient analysis by the following methods:</p> <p>Site Based Analysis</p> <ul style="list-style-type: none"> • Separate analysis of breakfast and lunch menus for each individual site based on the appropriate age/grade group(s) served • Combined analysis of breakfast and lunch menus for each individual site based on the appropriate age/grade group(s) served |

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| <p>Nutrient Analysis Procedures (continued) CN 08-05 CFR 210.10 (i)(5) CFR 220.8 (e)(5) CFR 210.10 (i)(7) 220.8 (e)(7)</p> | <p>District Based Analysis</p> <ul style="list-style-type: none"> • Separate analysis of the same breakfast and same lunch menu served for multiple sites based on the appropriate age/grade group(s) served • Combined analysis of the same breakfast and same lunch menu served for multiple sites based on the appropriate age/grade group(s) served <p>Arizona schools are required to conduct a nutrient analysis using weighted averages. Weighted averaging means that menu items offered more frequently are weighted at a proportionately higher level than menu items offered less frequently. Menu items and foods offered must be analyzed based on the planned portion sizes and menu structure identified by the menu planner.</p> <p>Once nutrient analysis results are compared to the appropriate nutritional goals and before the menu cycle is used again, the SFA may need to adjust the menu to make sure that all nutrition standards are met. The school food authority must also adjust future menu cycles to reflect actual production and how often menu items are selected. Menus should be re-analyzed when new food products are utilized, when recipes change, and/or when substitutions occur.</p> <p>CFR 210.10 (i)(10) 220.8 (e)(10)</p> <p>School food authorities using the nutrient standard menu planning approaches are expected to only make menu substitutions that occur due to unforeseen circumstances. When substitutions are necessary schools should try to substitute similar foods. If an unforeseen substitution occurs two weeks or less before the planned menu is served a reanalysis is not required. Any other substitutions require that a new nutrient analysis be conducted.</p> <p>CFR 210.10 (i)(11) 220.8 (e)(11)</p> <p>The school food authority is responsible for maintaining menu nutrient analysis records. These records document that the menus served meet the nutritional standards for the appropriate age/grade group. If an analysis shows that menus are not meeting standards the SFA is required to take action. Action may include making appropriate menu adjustments, attending applicable training, and/or requesting technical assistance.</p> <p>For additional information on nutrient analysis procedures please refer to the USDA Nutrient Analysis Protocols.</p> |
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| <p>Production and Menu Records CFR 210.10 (a)(3), 220.8 (a)(6), 210.18 (g)(2)(iii), 210.19 (a)(1)(C)(iv), 210.10(i)(1)(ii)</p> <p>CFR 101.9</p> | <p>Schools must keep production records and other applicable menu records for the meals they produce. These records must show how the menu served contributes to meeting the applicable nutrition standards for the selected age/grade group. All records will be evaluated for compliance during the Coordinated Review Effort (CRE) and the School Meals Initiative (SMI) reviews. There are three key menu records that help document how meals contribute to the nutrient based menu plan and applicable nutrition standards. These records are as follows:</p> <p>Nutrition fact labels</p> <ul style="list-style-type: none"> • The nutrition fact label documents the nutrient values of a product for a specified serving size. Federal regulations require that all commercially prepared food products, which do not contain a standard of identity as established by FSIS, to have a nutrition fact label. School food authorities should maintain nutrition fact labels for all food items served as part of a reimbursable meal. A manufacturer's product specification that contains all required nutrient values may also be used as documentation • In Arizona the child nutrition database may only be used for nutritional content of foods that have a standard of identity <p>Standardized Recipes</p> <ul style="list-style-type: none"> • A standardized recipe is a recipe that was tested to provide an established yield (based on USDA Food Buying Guide and/or manufacturer product specifications) and quantity, using the same ingredients for both measurement and preparation methods. SFAs following the nutrient standard menu planning approaches are required to develop and follow standardized recipes. This includes recipe variations and theme bar recipes. Standardized recipes may be either USDA recipes or any other local recipe that has been incorporated in to the menu. It is recommended that local standardized recipes include the following fields: <ul style="list-style-type: none"> • Recipe name - a name that adequately describes the menu item • Recipe number - a distinct number that differentiates recipe variations for reference on production records • Recipe category - category based on menu item (entrée, side, milk, condiment) • Ingredients - listing of ingredients and amounts used based on applicable weight or volume measurements • Serving/portion Size - the amount of a single portion based on an applicable weight or volume measure • Recipe yield - the total amount of defined servings based on an applicable weight or volume measurement • Directions - any applicable directions related to the preparation, equipment used, utensils used, safety |
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| <p>Production and Menu Records (continued) CFR 210.10 (i)(8) 220.8 (e)(8)</p> <p>CN 07-06</p> | <p>precautions, etc.</p> <ul style="list-style-type: none"> • HACCP process category - applicable categorization for same day, no cook, or complex food process • HACCP instructions - applicable critical limits, food safety procedures, and/or corrective actions required <p>For more information on USDA standardized recipes please refer to the USDA Recipes for Schools Manual (FNS Instruction 395)</p> <p>Production Records</p> <ul style="list-style-type: none"> • Arizona schools are required to maintain completed production records for all reimbursable meals that are claimed. The production record documents the foods (as supported by Nutrition Fact Labels) used and the food quantities (as supported by standardized recipes) for all meals that are claimed for reimbursement. Separate daily production records for breakfast and lunch must include the following fields: <ul style="list-style-type: none"> • Meal Pattern and Age/Grade Group - the name of the meal pattern used and the age/grade group(s) utilized • Menu items - name of each menu item served (including non-creditable foods, condiments, and substitutions) • Recipe - name or number of each standardized recipe used for each applicable menu item served • Serving size - the planned serving size for each distinct age/grade group under the respective meal pattern • Planned servings for reimbursable meals - the total number of servings planned for each distinct age/grade group • Planned servings for non-reimbursable meals - the total number of servings planned for adult (program and non-program) and a la carte meals • Total amount of food prepared/used - the actual (final) amount of food that was prepared/used by menu item/recipe • Reimbursable meal served - the total actual number of reimbursable meals served (meal claimed for reimbursement) for each distinct age/grade group • Non-reimbursable meals served - the total actual number of non-reimbursable meals served to adults or sold a la carte • Leftovers - the total amount of food remaining for each menu item served • Inclusion of the following fields are recommended but not required on production records: <ul style="list-style-type: none"> • HACCP monitoring - final cooking, hot holding, and/or cold holding temperature for potentially hazardous foods served |
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| <p>Menu Substitutions</p> <p>CFR 220.8 (d)(1), 210.10 (g)(1)</p> <p>CFR 210.10 (k)(6)</p> <p>FNS 303</p> <p>FNS 303</p> | <p>Un-approved Production and Menu Record Documentation</p> <ul style="list-style-type: none"> Literature used by a company for advertising purposes may not be used to support a menu's nutritional content <p>All menu substitutions must meet the applicable menu structure and nutrient analysis requirements in order to qualify as a reimbursable meal. Case specific menu substitutions may be allowed for the following reasons:</p> <p>Special Dietary Needs</p> <ul style="list-style-type: none"> Schools must make substitutions in meals for students who are considered to have a disability (refer to the Special Dietary Needs Manual for required documentation) which restricts their diet Schools may also make substitutions for students who do not have a disability but who cannot consume the regular lunch due to other special dietary needs <p>For complete guidance on menu substitutions please refer to the ADE Special Dietary Needs Manual.</p> <p><u>Offer versus Serve</u></p> <p>Offer versus Serve (OVS) is a provision that allows students to decline a certain number of food items offered as part of the reimbursable meal. Offer vs. Serve is a provision that can be implemented to help minimize plate waste and to allow for an increased variety of foods to be offered. Offer vs. Serve does not impact the requirements for the nutrient based menu planning approaches. SFAs are still required to plan a menu that meets the menu structure and nutrient analysis requirements.</p> <p>Implementation of the OVS provision is required at lunch for students in grades 9-12. The SFA can choose whether or not to implement OVS during lunch in grades K-8 and during breakfast for all grade levels. The requirements for offer vs. serve are as follows:</p> <p>Breakfast - Nutrient Standards</p> <ul style="list-style-type: none"> Students must be offered all menu items (fluid milk, sides) planned in portions defined and analyzed by the menu planner For an OVS breakfast to qualify as reimbursable, students may decline a maximum of one food item from the total number (three or more) of menu items offered <p>Lunch – Nutrient Standards</p> <ul style="list-style-type: none"> Students must be offered all menu items (entrée, side, fluid milk) planned in portions defined and analyzed by the menu planner Students are required to take a full portion of a planned entree For an OVS lunch to qualify as reimbursable, students may decline |
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| | <p>a maximum of one other item (milk or side) when three menu items are offered</p> <ul style="list-style-type: none"> • For an OVS lunch to qualify as reimbursable, students may decline a maximum of two other items (milk or sides) when four or more menu items are offered <p>Breakfast and Lunch</p> <ul style="list-style-type: none"> • Menu items counted for OVS must be taken in the full planned portion size/combination defined and analyzed by the menu planner • Menus should be planned to allow employees to identify the correct number of food items that constitute a reimbursable meal at the point of service • Menu items planned as condiments are not considered when identifying a reimbursable meal • A second serving of the same menu item may not be counted towards the total required items needed for a reimbursable meal • The reimbursable meal is still required to be priced as a unit regardless of the student's decision to take the minimum or maximum amount of food items • Students may take less than the minimum amount/portion size of food specified for the declined items • Food items taken in amounts/portion sizes and/or combinations that are less than required for a reimbursable meal may not be claimed for reimbursement and should be priced accordingly (a la carte sales) by the school food authority <p>For additional information on meal pattern requirements related to offer versus serve, please refer to the USDA's Menu Planner for Healthy School Meals (FNS Instruction 303). For more information on implementation of offer vs. serve please refer to the USDA's Offer versus Serve Resource Guide (FNS Instruction 265).</p> |
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| <p>Alternate Menu Planning Approach CFR 210.10 (l)(3)</p> <p>CN 12-08</p> | <p>An alternate menu planning approach is a major change or an alternate approach developed by a SFA and that differs from standard food based and nutrient standard menu planning approaches. The alternate menu planning approach must be available in writing and show how the appropriate nutritional standards would be met.</p> <p>Any SFA interested in utilizing an alternate menu planning approach must obtain prior approval from the ADE. During the approval process documentation will be requested to show how the approach will be monitored to assure that all required nutritional standards are met.</p> |
| <p>Infant Meal Pattern CFR 210.10 (o)(2) CFR 220.8 (j)(4)</p> | <p>Reimbursable meals served to infants as part of the National School Lunch or Breakfast programs must meet the following meal pattern requirements.</p> <p>Refer to CFR 210.10 for additional information on infant meal pattern guidelines.</p> |

| INFANT MEAL PATTERN | | | |
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| FOOD COMPONENTS | AGES 0 – 3 MONTHS | AGES 4 – 7 MONTHS | AGES 8 MONTHS – 11 MONTHS |
| Breakfast: 1 Iron-fortified infant formula or breast milk ¹ or fluid whole milk (to be served only to infants older than 8 months) 2. Iron-fortified, dry infant cereal 3. Fruit and/or vegetable of appropriate consistency ² | 4-6 FL. OZ. | 4-8 FL. OZ. 0-3 TBSP. (OPTIONAL) | 6-8 FL. OZ. 2-4 TBSP. 1-4 TBSP. |
| Lunch/Supper: 1. Iron-fortified infant formula or breast milk ¹ or fluid whole milk (to be served only to infants older than 8 months) 2. Iron-fortified, dry infant cereal and/or Meat or poultry or fish or Egg yolk or cooked dry beans or peas Cheese or Cottage cheese, cheese food or spread 3. Fruit and/or vegetable of appropriate consistency ² | 4-6 FL. OZ. | 4-8 FL. OZ. 0-3 TBSP (OPTIONAL). 0-3 TBSP. (OPTIONAL) | 6-8 FL. OZ. 2-4 TBSP. 1-4 TBSP. ½ -2 OZ 1-4 OZ. 1-4 TBSP. |
| Snack: 1. Iron-fortified infant formula, breast milk, fluid whole milk (to be served only to infants older than 8 months), or full-strength fruit juice 2. Crusty bread or crackers ³ | 4-6 FL. OZ. | 4-6 FL. OZ. | 2-4 FL. OZ. 0- ½ SLICE 0-2 (OPTIONAL) |

¹Meals containing only breast milk or formula provided by the infant's mother does not qualify for reimbursement. However, meals containing breast milk or formula served to infants by guardian may be claimed for reimbursement when at least the caregiver or school supplies one component of the infant's meal.

²Juice does not fulfill the fruit/vegetable requirement at breakfast, lunch or supper.

³Bread or crackers must be made from whole-grain or enriched meal or flour.

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| <p>Food of Minimal Nutritional Value CFR 210.11 (a)(2)</p> | <p>A food of minimal nutritional value means:</p> <ul style="list-style-type: none"> • In the case of artificially sweetened food, a food which provides less than five percent of the Reference Daily Intakes (RDI) for each of eight specified nutrients per serving • In the case of all other foods, a food which provide less than five percent of the RDI for each of eight specified nutrients per serving • The eight specified nutrients considered for RDI are as follows: <ul style="list-style-type: none"> ○ Protein ○ Vitamin A ○ Vitamin C ○ Niacin ○ Riboflavin ○ Thiamine ○ Calcium ○ Iron |
| <p>CFR 210 App. B CN 39-02, 11-03, 34-05, 14-07, 25-07, 17-08, 12-10</p> | <p>Foods of minimal nutritional value are:</p> <ul style="list-style-type: none"> • Soda Water - Class of beverages made by absorbing carbon dioxide in potable water. No product shall be excluded from this definition because it contains artificial sweeteners or discrete nutrients added to the food such as vitamins, minerals, and proteins. • Water Ices - As defined by 21CFR 135.160 Food and Drug Administration Regulations, except that water ices which contain fruit or fruit juices are not included in this definition. • Chewing Gum - Flavored products from natural or synthetic gums and other ingredients which form an insoluble mass for chewing. • Certain Candies - Processed foods made predominantly from sweeteners or artificial sweeteners with a variety of minor ingredients which characterize the following types: <ul style="list-style-type: none"> ○ Hard Candy - A product made predominantly from sugar (sucrose) and corn syrup which may be flavored and colored, is characterized by a hard, brittle texture, and includes such items as sour balls, fruit balls, candy sticks, lollipops, starlight mints, after dinner mints, sugar wafers, rock candy, cinnamon candies, breath mints, jaw breakers and cough drops. ○ Jellies and Gums - A mixture of carbohydrates which are combined to form a stable gelatinous system of jelly-like character, and are generally flavored and colored, and include gum drops, jelly beans, jellied and fruit-flavored slices. ○ Marshmallow Candies - An aerated confection composed of sugar, corn syrup, invert sugar, 20% water and gelatin or egg white to which flavors and colors may be added. |

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| <p>Competitive Foods CFR 210.11 (b)</p> | <ul style="list-style-type: none"> ○ Fondant - A product consisting of microscopic sized sugar crystals which are separated by a thin film of sugar and/or invert sugar in solution such as candy corn, soft mints. ○ Licorice - A product made predominantly from sugar and corn syrup which is flavored with an extract made from the licorice root. ○ Spun Candy - A product that is made from sugar that has been boiled at high temperature and spun at a high speed in a special machine. ○ Candy Coated Popcorn - Popcorn which is coated with a mixture made predominantly from sugar and corn syrup. <p>Through a formal petition process USDA has designated specific products produced by specific vendors as exempt from consideration as a food of minimal nutritional value. Please refer to the USDA website for a complete list of foods and beverages that are no longer considered a food of minimal nutritional value.</p> <p>Sales and/or distribution of foods of minimal nutritional value are prohibited in food service areas where reimbursable meals are served and/or eaten. Foods of minimal nutritional value are considered restricted competitive foods when offered where meals are served and/or eaten.</p> <p>Sales of any other foods in food service areas where reimbursable meals are served and/or eaten may be allowed at the discretion of the school food authority provided that all income from the sale of such foods accrues to the benefit of the non-profit food service account or an approved school/student organization. All non reimbursable meals sold and not considered foods of minimal nutritional value are considered non-restricted competitive foods when offered where reimbursable meals are served and/or eaten.</p> |
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| <p>Arizona Nutrition Standards ARS 15-242</p> <p>Arizona Revised Statute 15-242</p> | <p>The Arizona Nutrition Standards (ANS) set nutrition and portion size requirements for all foods and beverages sold or served outside of school program meals during the normal school day (grades K-8). Standards were developed in response to Arizona Revised Statute 15-242.</p> <p>There are three sections to the Arizona Nutrition Standards:</p> <ul style="list-style-type: none"> • Section 1: Written Standards- This section defines the food and beverage standards • Section 2: Maximum Portion Sizes- This section details the maximum portion sizes • Section 3: Guidelines and Classifications- This section summarizes the standards for popular food or beverage types and lists the maximum portion sizes for the specific grade groups <p>ARS 15-242. Nutritional Standards</p> <p>A. By July 1, 2006, the department shall develop minimum nutrition standards that meet at least federal guidelines and regulations for foods and beverages sold or served on the school grounds of elementary schools, middle schools and junior high schools during the normal school day. These nutrition standards may include portion sizes, minimum nutrient values and a listing of contents. This subsection does not prohibit the department from developing minimum nutrition standards that are more stringent than the federal guidelines and regulations for foods and beverages sold or served on school grounds during the normal school day.</p> <p>B. All elementary schools, middle schools and junior high schools shall participate in the national school lunch program as defined in Public Law 108-265 except that a school district with fewer than one hundred pupils that is not currently participating in the national school lunch program may be exempt from this subsection if the school district governing board determines at a public meeting to not participate in the requirements of this subsection.</p> <p>C. Food and beverages sold or served on the school grounds of elementary schools, middle schools and junior high schools or at school sponsored events of elementary schools, middle schools and junior high schools during the normal school day shall meet the nutrition standards developed by the department, including foods and beverages offered as any of the following:</p> <ol style="list-style-type: none"> 1. A-la-carte items in the food service program. 2. Food and beverages sold in vending machines, snack bars and meal period kiosks and at school stores. <p>D. Foods of minimal nutritional value as defined by 7 Code of Federal Regulations sections 210.11(2) shall not be served or sold during the normal school day on any elementary school, middle school or junior high school campus.</p> <p>E. Beginning on July 15, 2006, new contracts and renewal contracts for food or beverages, or both, shall expressly prohibit the sale of sugared, carbonated beverages and all other foods of minimal nutritional value as defined by 7</p> |
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| <p>Arizona Revised Statute 15-242 (continued)</p> | <p>Code of Federal Regulations sections 210.11(2) on elementary school, middle school and junior high school campuses. The department may approve, on or after the effective date of this section, a carbonated drink that is determined by the department to meet or exceed the department's minimum nutrition standards.</p> <p>F. Parents, pupils and community members may review food and beverage contracts to ensure that food and beverages sold on elementary school, middle school and junior high school campuses provide nutritious sustenance to pupils, promote good health, help students learn, provide energy and model fit living for life.</p> <p>G. School districts that offer instruction in grades nine through twelve may adopt nutrition standards for high school campuses.</p> <p>H. School districts that offer instruction in grades nine through twelve may adopt nutrition standards for high school campuses.</p> <p>I. Nothing in this section shall be construed to:</p> <ol style="list-style-type: none"> 1. Prohibit a school district from developing and adopting nutrition standards that are more stringent than those developed pursuant to this section. 2. Prohibit or limit the sale or distribution of any food or beverage item through fund-raising activities of students, teachers or educational groups when the items are intended for sale off the school grounds. 3. Prohibit or limit the sale or distribution of any food or beverage items to teachers, administrators or other adults in a faculty lounge or under other circumstances where the sale or distribution is limited to teachers, administrators or other adults. |
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| Arizona Nutrition Standards – Section 1 | <p>Section 1: Written Standards</p> <p>Food Standards:</p> <ul style="list-style-type: none"> • NSLP entrées sold a la carte: <ul style="list-style-type: none"> ○ 40% or less of total calories from fat ○ 10% or less of total calories from saturated and trans fatty acids (combined) ○ No more than 35% total sugar by weight ○ Must contain at least 1g of fiber ○ Maximum 400 calories per serving for entrée items sold as a la carte ○ Maximum 800mg of sodium for entrée items sold as a la carte ○ Final preparation method cannot be deep-fat fried • Non-NSLP entrées sold a la carte: <ul style="list-style-type: none"> ○ 35% or less of total calories from fat ○ 10% or less of total calories from saturated and trans fatty acids (combined) ○ No more than 35% total sugar by weight ○ Must contain at least 1g of fiber ○ Maximum 400 calories per serving for entrée items sold as a la carte ○ Maximum 800mg of sodium for entrée items sold as a la carte ○ Final preparation method cannot be deep-fat fried ○ No deep-fat fried chips or crackers • All other items <ul style="list-style-type: none"> ○ 35% or less of total calories from fat ○ 10% or less of total calories from saturated and trans fatty acids (combined) ○ No more than 35% total sugar by weight ○ Must contain at least 1 gram of fiber ○ Maximum 300 calories per serving for all other items ○ Maximum 600 mg of sodium for all other snack items ○ Final preparation method cannot be deep-fat fried ○ No deep-fat fried chips or crackers |
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| Arizona Nutrition Standards – Section 1 (continued) | <p>Beverage Standards:</p> <ul style="list-style-type: none"> • Water <ul style="list-style-type: none"> ○ May contain natural or non-caloric sweeteners ○ Cannot contain caffeine or a caffeine derivative • Juice <ul style="list-style-type: none"> ○ Must contain 100% fruit and/or vegetable juice for Elementary Schools* ○ Must contain no less than 50% fruit and/or vegetable juice, no sugar added, with nutrient values equal to 100% juice for Middle and Junior High Schools* • Fruit Smoothie (yogurt or ice based) <ul style="list-style-type: none"> ○ Must contain 100% fruit juice for Elementary Schools* ○ Must contain no less than 50% fruit juice for Middle and Junior High Schools* ○ Must not exceed 400 calories • Milk and Alternatives <ul style="list-style-type: none"> ○ Fat free, low fat (1% milk fat), and reduced fat milk (2% milk fat) ○ Reduced fat enriched rice, nut or soy milk ○ Flavored milk may contain no more than 4 grams of sugar per ounce • Sports Drinks, Electrolyte-Replacement Drinks <ul style="list-style-type: none"> ○ Only Middle and Junior High Schools may serve* <p>Specific Prohibited Foods and Beverages on Campus:</p> <ul style="list-style-type: none"> • Prohibited foods and cooking methods <ul style="list-style-type: none"> ○ All deep-fat fried chips and crackers sold or served as a non NSLP menu item ○ Final preparation method cannot be deep-fat fried • Prohibited beverages <ul style="list-style-type: none"> ○ Fruit/Vegetable drinks containing less than 100% juice for Elementary Schools and less than 50% juice for Middle and Junior High Schools* ○ Whole fat milk (4% milk fat); flavored or regular ○ Caffeine/Energy drinks ○ Sports drinks, Electrolyte-Replacement drinks for Elementary Schools only* ○ Carbonated beverages <p>*If a school has grades K-6 then they must follow the Elementary School standards. If a school has grades K-8, then grades K-5 must follow the Elementary School standards and grades 6-8 may follow the Middle/Junior High School standards.</p> |
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| Arizona Nutrition Standards – Section 1 (continued) | <p>Exceptions to the Food Standards:</p> <ul style="list-style-type: none"> • 35% or less of total calories from fat <ul style="list-style-type: none"> ○ Cheese in any form may exceed total fat standard, however must be in a reduced fat form ○ Nuts and seeds may exceed total fat standard • 10% or less of total calories from saturated and trans fatty acids (combined) <ul style="list-style-type: none"> ○ Cheese in any form may exceed total saturated fat standard, however must be in a reduced fat form ○ Nuts and seeds may exceed total saturated fat standard • No more than 35% total sugar by weight <ul style="list-style-type: none"> ○ Dairy (solid) may exceed sugar by weight standard (does not include fluid milk) ○ Fruits and vegetables may exceed sugar by weight standard • Must contain at least 1 gram of fiber <ul style="list-style-type: none"> ○ Dairy is exempt from fiber standards ○ Jerky is exempt from fiber standards ○ Fruits and vegetables are exempt from fiber standards • Maximum 400 calories per serving for entrée items sold as a la carte, and a maximum of 300 calories per serving for all other items <ul style="list-style-type: none"> ○ Fruit-based smoothies may contain up to 400 calories |
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**Arizona
Nutrition
Standards –
Section 2**

Section 2: Maximum Portion Sizes

| Chips and other snacks | Max Portion Size |
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| Chips, crackers, popcorn | 1.5 oz |
| Trail mix, nuts, seeds, jerky | 2 oz |

| Juice | Max Portion Size |
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| 100% juice for Elementary | 8 oz (Elementary) |
| 50% juice for Middle/Junior High | 12 oz (Middle/Junior High)* |

| Baked Goods | Max Portion Size |
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| Cookies, brownies | 2 oz |
| Muffins | 3 oz |

| Fluid milk and alternatives | Max Portion size |
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| Fat free, 1% and 2% milk | 12 oz |
| Enriched rice, nut or soy milk | 12 oz |

| Fruit Smoothie | Max Portion Size |
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| Yogurt based | 12 oz |
| Ice Based | 12 oz |

| Dairy Products | Max Portion Size |
|-------------------------------------|-------------------------|
| Low fat, non-frozen yogurt | 8 oz |
| Frozen desserts, ice cream, pudding | 3 oz |
| Cheese | 2 oz |

| Entrée | Max Portion Size |
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| Cannot exceed the served portion size of the NSLP reimbursable meal | |

| Isotonic Sports Drinks | Max Portion Size |
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| Sport/electrolyte-replacement drinks | 12 oz (Middle/Junior High)* |

*If a school has grades K-6 then they must follow the Elementary School standards. If a school has grades K-8, then grades K-5 must follow the Elementary School standards and grades 6-8 may follow the Middle/Junior High School standards.

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| Arizona Nutrition Standards – Section 3 | Section 3: Guidelines and Classification for K-8 | | |
| | Food Type | Elementary (K-5) | Junior High (6-8) |
| | Chips and Crackers | Food Standard: Deep-fat fried chips and crackers served as a non-NSLP entrée or an ala carte snack item or exceed the nutrition standards are prohibited. Portion Size: Cannot exceed 1.5 oz | Food Standard: Deep-fat fried chips and crackers served as a non-NSLP entrée or an ala carte snack item or exceed the nutrition standards are prohibited Portion Size: Cannot exceed 1.5 oz |
| | French Fries and other potato products | Food Standard: If a food has the final preparation method of deep-fat frying, then that food is prohibited. Portion Size: Must meet the Arizona Nutrition Standards | Food Standard: If a food has the final preparation method of deep-fat frying, then that food is prohibited. Portion Size: Must meet the Arizona Nutrition Standards |
| | Baked Goods: Muffins, Sweet Rolls, Donuts and Pastries | Food Standard: All muffins, sweet rolls, donuts and pastries must meet all nutrition standards. Portion Size: Cannot exceed 3 oz | Food Standard: All muffins, sweet rolls, donuts and pastries must meet all nutrition standards. Portion Size: Cannot exceed 3 oz |
| | Baked Goods: Cookies, Bars, Brownies | Food Standard: All cookies, bars and brownies must meet all nutrition standards. Portion Size: Cannot exceed 2 oz | Food Standard: All cookies, bars and brownies must meet all nutrition standards. Portion Size: Cannot exceed 2 oz |
| | Nuts and Seeds | Food Standard: All nuts and seeds must meet all nutrition standards and are exempt from the total fat standard. Portion Size: Cannot exceed 2 oz | Food Standard: All nuts and seeds must meet all nutrition standards and are exempt from the total fat standard. Portion Size: Cannot exceed 2 oz |

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| Arizona Nutrition Standards – Section 3 (continued) | Dairy Products | <p>Food Standards: All dairy products (excluding fluid milk) are exempt from the fiber and sugar standard. Cheese may exceed total fat standard, however must be in a reduced fat form.</p> <p>Portion Size: Cheese cannot exceed 2 oz, non-frozen yogurt cannot exceed 8 oz, frozen desserts and puddings cannot exceed 3 oz, and smoothie drinks cannot exceed 12 oz</p> | <p>Food Standards: All dairy products (excluding fluid milk) are exempt from the fiber and sugar standard. Cheese may exceed total fat standard, however must be in a reduced fat form.</p> <p>Portion Size: Cheese cannot exceed 2 oz, non-frozen yogurt cannot exceed 8 oz, frozen desserts and puddings cannot exceed 3 oz, and smoothie drinks cannot exceed 12 oz</p> |
| | Candy Bars, Sports Bars and similar products | <p>Foods Standards: All candy bars and similar products, including energy/sports bars must meet all standards.</p> <p>Portion Size: Must meet the Arizona Nutrition Standards</p> | <p>Foods Standards: All candy bars and similar products, including energy/sports bars must meet all standards.</p> <p>Portion Size: Must meet the Arizona Nutrition Standards</p> |
| | Beverage Type | Elementary (K-5) | Junior High (6-8) |
| | Dairy: Fluid Milk | <p>Beverage Standard: Cannot exceed 2% milk fat (fat free, low fat (1%), and reduced fat (2%) are within standards). Flavored milk cannot contain more than 4 grams of sugar per ounce. Whole fat milk (4%) is prohibited.</p> <p>Portion Size: Cannot exceed 12 oz</p> | <p>Beverage Standard: Cannot exceed 2% milk fat (fat free, 1% and 2% are within standards). Flavored milk cannot contain more than 4 grams of sugar per ounce. Whole fat milk (4%) is prohibited.</p> <p>Portion Size: Cannot exceed 12 oz</p> |

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| Arizona Nutrition Standards – Section 3 (continued) | Milk Alternative | Beverage Standard: All milk alternative products must be in a reduced fat form. Portion Size: Cannot exceed 12 oz | Beverage Standard: All milk alternative products must be in a reduced fat form. Portion Size: Cannot exceed 12 oz |
| | Juice | Beverage Standard: Must contain 100% fruit and/or vegetable juice. Portion Size: Cannot exceed 8 oz | Beverage Standard: Must contain at least 50% fruit and/or vegetable juice, no added sugar, with nutrient values equal to 100% fruit juice. Portion Size: Cannot exceed 12 oz |
| | Water | Beverage Standard: All water products, including fitness water may contain natural or artificial sweeteners. All products containing caffeine are prohibited. Portion Size: No portion size restriction | Beverage Standard: All water products, including fitness water may contain natural or artificial sweeteners. All products containing caffeine are prohibited. Portion Size: No portion size restriction |
| | Carbonated Beverages | Beverage Standard: All beverages containing carbonation are prohibited. | Beverage Standard: All beverages containing carbonation are prohibited. |
| | Isotonic Sports Drinks | Beverage Standards: All isotonic sports drinks/electrolyte replacement drinks are prohibited. | Beverage Standards: Isotonic sports drinks/electrolyte replacement drinks are allowed to be served. Portion Size: Cannot exceed 12 oz |

The Arizona Department of Education has developed the following resources to help support implementation of Arizona Nutrition Standards in schools:

- Arizona Nutrition Standards Calculator – this resource allows the school food authority to enter data from a nutritional facts label in order to help verify if the product meets the appropriate Arizona Nutrition Standard

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| | <ul style="list-style-type: none"> • Sugar by Weight Calculator – this resource allows the school food authority to enter data from a standardized recipe in order to help verify if the product meets the appropriate Arizona Nutrition Standard • Arizona Nutrition Standards Quick Guide – this resource provides a brief overview of policy and each section of the Arizona Nutrition Standards <p>Please refer to the Arizona Nutrition Standards webpage for access to all resources and guidance related to Arizona Nutrition Standards.</p> |
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| <p>Point of Service CFR 210.2, 245.1(b)</p> | <p>The point of service is the point in the food service operation where a determination can accurately be made that a reimbursable free, reduced-price, or paid lunch has been served to an eligible student. The school food authority must develop procedures that allow food service employees to identify that all components/food items required of the menu planning approach have been selected by the student at the point of service. These procedures must also prevent overt identification of a student's eligibility status at the point of service. School food authorities are required to define all point of service procedures in use on the online sponsor household application that is submitted annually.</p> |
| <p>Designated Meal Hours CFR 210.10 (f)(1), (f)(2)</p> | <p>Schools must offer lunches that meet the appropriate menu planning requirements during designated lunch periods. Lunches must be offered between 10:00 a.m. and 2:00 p.m. in order to be eligible for reimbursement. Schools should provide lunch periods that are long enough to give all students enough time to be served and to eat their lunches.</p> |
| <p>Reimbursable Vending CN 27-07</p> | <p>Vending machines may be used to distribute reimbursable meals to students. The following guidelines apply:</p> <ol style="list-style-type: none"> 1. The area where vending machines dispense reimbursable meals is considered an extension of the school food service area. This area and vending machines must follow the current NSLP and SBP regulations: <ol style="list-style-type: none"> a. Menu planning requirements b. Competitive food rules c. Offer versus serve requirements 2. When utilizing vending machines to dispense meals, the LEA must be able to ensure: <ol style="list-style-type: none"> a. When a reimbursable meal has been selected by an eligible student b. That an eligible student may only receive one reimbursable meal per meal service period (ensuring a meal cannot be purchased from both the serving line and the vending machine by the same student in the same day) c. Students' eligibility status (free, reduced, or paid) is not overtly identified d. The reimbursable meals offered are priced as a unit 3. Prior to the use of vending machines to dispense reimbursable meals, the SFA must notify the ADE. The vending machine, in all aspects, will be part of the administrative review. |

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| <p>Denial of Meals as Disciplinary Action</p> | <p>USDA policy prohibits the denial of meals as a disciplinary action against any student who is enrolled in a school participating in the National School Lunch Program, School Breakfast Program or the Special Milk Program. Disciplinary action, which indirectly results in the loss of meals, is allowable (e.g., a student is suspended for the day from school). It is not allowable to discipline a student by withholding meals, nor may disciplinary action directly result in the loss of meals (e.g., a student is suspended from school only during the lunch period).</p> <p>Denial of meal benefits as a disciplinary action is clearly contrary to the intent and purpose of the programs and the policy of Congress as expressed in the legislation.</p> <p>When considering disciplinary action against any student, school officials should ensure that such action is consistent with the above policy. Any student attending school, who is not allowed to eat in the cafeteria for disciplinary reasons, shall have a reimbursable meal made available to them.</p> |
| <p>Meal Consumption</p> | <p>Program regulations clearly intend that meals reimbursed under the Child Nutrition Programs are to be served and consumed on school or school-related premises. It is not permissible to allow children to take food away from the cafeteria to eat at a later time. School meals that are given to children to take home (or elsewhere) are not reimbursable. However, meals (sack lunches) such as those taken on school supervised field trips may be reimbursed if they meet the meal pattern requirements and are served and consumed as part of a school related function. These functions must be part of the curriculum and not extracurricular events. Juice cannot be substituted for milk. Meals served off-site should be subject to especially stringent sanitary and precautionary measures to avoid contamination and spoilage.</p> <p>The National School Lunch Program (NSLP) is intended to feed children; it is therefore not permissible for parents to eat off of their child's plate when visiting during meal service. Adults desiring a meal are required to purchase one at a price established to cover the full cost of the meal. Also, siblings who are not eligible for the NSLP may not eat off an eligible student's plate.</p> |
| <p>Family Style Meal Service</p> | <p>Family style is a type of meal service that allows children to serve themselves from common platters of food with assistance from supervising adults setting the example. Family style meal service encourages supervising adults to set a personal example and provide educational activities that are centered on foods.</p> <p>Unlike cafeteria lines, unitized meals, and pre-set service, the family</p> |

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| <p>Family Style Meal Service (continued)</p> | <p>style method affords some latitude in the size of initial servings because replenishment is immediately available at each table. Even when a complete family style service is not possible or practical, it may be useful to offer a component or components in a family style manner particularly when smaller children are being served or when a new food item is being introduced. This latitude must be exercised in compliance with the following practices, at a minimum:</p> <ol style="list-style-type: none"> 1. Sufficient amount of prepared food must be placed on each table to provide the full required portions of each of the food components for all children at the table, and to accommodate supervising adult(s) if they eat with the children 2. The family style meal service allows children to make choices in selecting foods and the size of the initial servings. Children should initially be offered the full required portion of each meal component 3. During the course of the meal, it is the responsibility of the supervising adults to actively encourage each child to accept service of the full required portion for each food component of the meal pattern |
| <p>Leftover Foods</p> | <p>Sponsors are encouraged to contact their local health department for possible restrictions before beginning family style meal service.</p> <p>Sponsors may release leftover food from their breakfast and lunch program to charitable non-profit organizations under the following conditions:</p> <ol style="list-style-type: none"> 1. Good meal production planning is followed to ensure that one meal per child is prepared 2. The leftover food cannot be used in the school food service program and would otherwise be thrown away 3. State and local health codes are followed |

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| <p>After School Snack Program 7CFR210.1</p> | <p><u>After School Snack Program</u> Sponsors that administer after school programs that offer enrichment or educational program are eligible to serve snacks for reimbursement. Sites located in areas served by a school in which at least 50 percent of the enrolled children are eligible for free and reduced-price meals are eligible to receive reimbursement at the free rate for snacks served to all children, regardless of each individual child's eligibility for free or reduced-price lunches and breakfasts. Refer to section 2 for more information on the after school care snack program.</p> <p>Sites which are not in areas served by a school in which at least 50 percent of the enrolled children are eligible for free or reduced-price meals must count snacks and claim reimbursement by type (free, reduced-price, and paid), and must have documentation of students eligibility. Under no circumstances may a school charge children for snacks claimed at the free reimbursement rate. Charges for reduced-price snacks may not exceed 15 cents, as stipulated in program regulations at 7 CFR section 210.9 (c) (4).</p> <p>Snacks may only be served to children for reimbursement when administering the NSLP and after their school day has ended. Under no circumstances may snacks be reimbursed in programs operated before or during the child's school day. Schools are not eligible to receive reimbursement under this provision for snacks served on weekends or holidays, including vacation periods.</p> |
| <p>Non-School Days</p> | <p><u>Non-School Days</u> The National School Lunch Act provides basic, comprehensive legislation for aid, in general, to the States in the operation of school lunch programs as permanent and integral parts of their school systems. Food and Consumer Service does not consider weekends, holidays, and vacations to be an integral part of the school system. Consequently, Food and Consumer Service does not authorize reimbursement for meals served in any of these situations, except as stated below.</p> <p>Weekends - Boarding Schools: Boarding schools may be reimbursed for student weekend breakfast and lunch meals if the following criteria are met:</p> <ol style="list-style-type: none"> 1. Three meals a day are served on Saturday and Sunday as documented by menus, and; 2. Breakfast and lunch meet the minimum federal meal pattern requirements. This criteria must be documented with food production records for these two meals, and; 3. There is an extension of education related activities on the weekend that is an integral part of the curriculum or an extension of the local educational program. The school must submit a written request to the CNP office for a decision on |

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| | <p>the validity of the activity. The number of student suppers should be recorded for reporting on the Annual Financial Report.</p> <p>Weekends - Traditional Schools: Traditional Schools which operate Monday through Friday receive federal reimbursement for meals or milk served during the periods set aside for meal service during the regular school week. Meals served by the school sponsor on the weekend may be reimbursable if the activity is an integral part of the curriculum or an actual extension of the local educational program, and not simply a school-affiliated extracurricular event or activity, such as football, band and choral activity.</p> <p>Off-Track Students: Reimbursement is not available during off-track vacations for children in year-round schools. The Summer Food Service Program was created to provide meals to needy children during extended periods when they are not in school. For more information on the Summer Food Service Program contact your School Lunch Specialist.</p> |
| Visiting Students | <p><u>Visiting Students</u></p> <p>When a lunch program serves children who are visiting from another school during the lunch hour because of school activities, the host school may claim <u>PAID</u> reimbursement for the lunches served to all children even though the visiting school may not have a lunch program. Free or reduced reimbursement may be claimed when the visiting school provides documentation of the number eligible in those categories. Those children eligible must be included in the eligibility section of the monthly reimbursement claim.</p> |
| GED Programs | <p><u>GED Programs</u></p> <p>Persons enrolled in a General Equivalency Program (GED) program or regular high school completion programs that operate during regular school hours may participate in the meal service. Evening meals served to students in adult education courses or in delayed diploma programs are not reimbursable.</p> <p>Federal regulations define “child” as “a student of high school grade or under as determined by the State educational agency.” The State of Arizona has defined children as twenty-one years or younger. The CNP office adheres to the state definition and allows reimbursement for only those program meals served to students who meet this definition. This applies to both regular and special education students.</p> |

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| <p>Second Meals</p> | <p><u>Second Meals</u> Sponsors must ensure that lunches and breakfasts are planned and produced on the basis of participation trends with the objective of providing one reimbursable lunch and/or breakfast per child per day. Production and participation records must be maintained to demonstrate positive action toward providing one reimbursable lunch and/or breakfast per child per day. Any excess lunches and/or breakfasts that are produced may be served, but shall not be claimed for reimbursement.</p> |
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| Free and reduced price policy Introduction | <p style="text-align: center;"><u>Free and Reduced-Price Policy</u></p> |
| Basic Requirement 7CFR245.1(a) | <p>The following sets forth guidelines for school officials responsible for determining eligibility for free and reduced-price meals. The guidelines apply to schools that participate in the National School Lunch (NSLP) and School Breakfast Programs (SBP) and schools participating in the Special Milk Program (SMP).</p> <p>All Local Educational Agencies (LEAs) being reimbursed for free, reduced-price and paid meals must have adequate documentation on file to support the claim for reimbursement. Those that participate in the Special Milk Program are required to maintain the same documentation that is required for free and reduced-price meals.</p> <p>All schools participating in the NSLP and SBP must make available free and reduced-price lunches and breakfasts, and as applicable, free milk.</p> <ul style="list-style-type: none"> • The basic free and reduced-price policy requirements consist of a permanent policy statement, a public release, an approved parent letter and household application, the LEA's household application collection procedures and the Income Eligibility Guidelines as issued by USDA. |
| Policy Statement 7CFR245.10(a) | <p>Each LEA participating in the NSLP, SBP, or the SMP, must have an approved free and reduced-price policy statement on file at the State Agency (SA).</p> |
| Public (Media) Release 7CFR245.5(a)(2) | <p>Near the beginning of the school year, an announcement must be made to notify the public of the availability of the NSLP, SBP, SMP and Food Distribution Program. The notice must include the eligibility criteria for free and reduced-price meals and/or free milk. Please visit www.ade.az.gov/cnp/nslp for the most current forms. The public announcement is provided by the LEA to the local news media.</p> <ul style="list-style-type: none"> • The LEA is required to submit a public/press release to local employment offices and major employers contemplating layoffs in the attendance area of the school. • Copies of the public release must be made available upon request to any interested person. |
| Notice to Households (Parent Letter) 7CFR245.5(a)(1) | <p>A parent letter or notice notifying households about the availability of the child nutrition programs must be distributed at the beginning of each school year. This letter must also state the option of free and reduced-price benefits <i>and</i> a household application form must be distributed to all households of children in attendance at the school who were not determined eligible through Direct Certification match</p> |

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| <p style="text-align: center;">FAQ</p> | <p>results or from the migrant/homeless/runaway liaison. Approved forms are available on the ADE website for Health and Nutrition Services. The household application should not be distributed earlier than July 1st, or no more than 30 days prior to the beginning of the school year, whichever is later.</p> <ul style="list-style-type: none"> • In schools participating in the NSLP, SBP, or Food Distribution (FD) Program, any notice to households must contain only the reduced-price guidelines with an explanation that households with incomes at or below the reduced-price limits are eligible for either free or reduced-price meals. • The letter/notice should be sent to households of all school children as early as possible in the school year so that eligibility determinations may be made and free and reduced-price benefits provided as soon as possible. • New students enrolling in school after the school year has started must be provided a letter/notice and household application upon enrollment. • Schools participating in Special Assistance only need to notify and certify students during the School's base year. • School districts must notify the households of children whose free meal benefits were determined from the CNP Direct Certification System but those households are not required to complete a household application. • Households that receive Supplemental Nutrition Assistance Program (SNAP) or Cash Assistance (CA) may submit a household application with a case number or income information if they are not notified of their eligibility by the school. <p>Q: May I distribute household applications in the lunch line? A: This is not recommended. If the household application is distributed in the lunch line, all students may not have access to the household application.</p> <p>Q: May I distribute the household applications to the children or do I have to mail them to the parents? May I announce that household applications are available in the principal's office for any child or parent who wants one? A: The school may distribute the household applications to the children. They do not have to be sent in the mail. For example, the school could include the household application in a packet of school-related information addressed to the parent, but carried home to the parent by the student at the beginning of the school year. Schools must distribute household applications to students in a manner that prevents</p> |
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| <p>Foreign Language Translations 28CFR42.405(d)(1)</p> <p>Free and Reduced-Price Process Best Practice</p> | <p>overt identification and ensures that no child is inadvertently excluded from participation. Household applications must be distributed in some manner. A public announcement that household applications are available and interested parties may pick one up is not sufficient.</p> <p>Where a significant proportion of the population eligible to be served in the LEA needs information in a language other than English, LEAs must make reasonable efforts, considering the size and concentration of such population, to send appropriate non-English language household letters/notices and household applications to such households. Appropriate forms are available from the State Agency. In addition, the USDA website contains additional samples of translated household application material: www.fns.usda.gov/cnd. Schools are encouraged to provide households with assistance in completing household applications through the use of foreign language personnel.</p> <p>The following is the best practice for the initiation of the NSLP's free and reduced-price process for each school year.</p> <ul style="list-style-type: none"> • Use eligibility status from previous year for the first 30 operating days or until a household application is received. • After July 1st and no more than 30 calendar days prior to the first day of school, conduct a Direct Certification report prior to mailing out household applications to families. • Obtain the school's documented migrant/homeless/runaway list from the school's liaison. Note: The list should consist of student names, effective dates, and the migrant/homeless/runaway liaison's signature. An email is also acceptable. • Students who were a direct certification match or part of the school's documented migrant/homeless/runaway list should be placed in the free category. A Notification Letter for free meal benefits should be sent to the household within ten working days of certification. • Send household applications for free and reduced-price meals to families/students who were not included in direct certification match results or on the school's documented migrant/homeless/runaway list, without overtly identifying those students already qualified for free meals. • Using the returned household applications, determine eligibility status based on income and household size or participating in the Food Distribution Program on Indian Reservations (FDPIR), Cash Assistance (CA) or Supplemental Nutrition Assistance Program (SNAP). • Within ten operating days of receipt of the household |
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| <p>Free and Reduced-Price Reimbursement 7CFR245.6(e) 7CFR210.15(b)(4)</p> | <p>application send a notification letter to families. Note: Household applications listing FDPIR, CA, or SNAP case numbers must also have the child(ren)'s names and an adult signature to be considered a complete household application.</p> <ul style="list-style-type: none"> • Within ten operating days of receipt of the household application send a notification letter for denial of free meal benefits to families who do not qualify based on FDPIR, SNAP, case number or income or who have submitted an incomplete household application. <p>The LEA must have a proper documentation on file for each child served a reimbursable meal or milk. A valid household application is one that is complete and has been correctly certified for free or reduced-price benefits. LEAs are required to keep all Direct Certification match results as documentation for directly certified students. In addition, LEAs must maintain the homeless/migrant/runaway list as proof of eligibility.</p> |
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| <p style="text-align: center;">FAQ</p> <p>Household Application Collection Procedures 7CFR245.3(a) 7CFR245.11(a))(2) CN 30-02 CN 45-05 PL 108-265 Sec.105(a)</p> <p style="text-align: center;">FAQ</p> | <ul style="list-style-type: none"> • Residential Child Care Institutes (RCCIs) are not required to maintain household applications for eligible children and may document eligibility by other means. For more information on this process, see the section specific to RCCI Guidance. <p>Q: What do I do if a child is eligible for free meals, but the household wants to pay the full price?</p> <p>A: The school should respect the family's wishes and allow the child to pay the full price. The household application should correctly reflect that the child is eligible for free meals. However, the school should note on the household application that the family has elected to pay the full price. The meals served to such a child must be claimed for full price reimbursement since the school received the reduced-price payment from the household.</p> <p>School officials must make families aware of the availability of free and reduced-price meals.</p> <p>Household application distribution:</p> <ul style="list-style-type: none"> • No earlier than July 1st • No greater than 30 days prior to the first day of the school year • May request that all households apply • May not require that a household apply • Prohibited from requesting separate household applications for each child within the same LEA <p>Q: How do I handle the distribution of household applications for year-round schools?</p> <p>A: Household applications should be distributed no earlier than July 1 of each school year. This is to ensure that households provided current eligibility criteria and eligibility determinations based on the current Income Eligibility Guidelines.</p> <p>Q: May I provide household applications at the end of the school year for parents to return at the beginning of the next school year?</p> <p>A: No. Households must be provided with the household application and other eligibility criteria on or about the beginning of the school year. Household applications may be distributed and approved after the sponsor household application renewal has been approved, but may not be distributed prior to July 1, and no more than 30 days prior to the first day of school.</p> <p>Q: May the approval of household applications be delegated to a Food Service Management Company (FSMC) along with other management responsibilities?</p> <p>A: No. The determination of eligibility for free and reduced-price meals is an LEA responsibility and may not be assigned to a Food</p> |
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| <p>Benefits Prior to Processing Household Applications 7CFR245.6(c) 7CFR 245.3(c)</p> <p>CN 15-06</p> | <p>Service Management Company. School officials are directly responsible for determining eligibility and maintaining the confidentiality of the information on the household application.</p> <p>Prior to processing household applications for the current school year, the LEA may claim and be reimbursed for free and reduced-price meals or free milk served to:</p> <ul style="list-style-type: none"> • children from households with approved household applications or documentation of Direct Certification on file from the previous year • new children in an LEA from households with children who were approved or have benefits from the previous year • previously approved children who transfer from one school to another under the jurisdiction of the same LEA. If the household applications are not centrally maintained, both the sending and the receiving school must maintain a copy of the transfer student's household application. • Household applications from the prior year may only be used for the children represented by these household applications. <p>Prior to processing household applications for the school year, LEAs cannot claim or be reimbursed for free and reduced-price meals or free milk served to:</p> <ul style="list-style-type: none"> • new children who are not part of households approved the previous year • children who transfer between schools under the jurisdiction of different LEAs <i>unless</i> the receiving school obtains a copy of the prior year's household application. <p>Therefore, local school officials are encouraged to expedite eligibility determinations for all such new enrollees.</p> <p>Prior year's eligibility certifications are only valid for the first 30 operating days of the school year (beginning with the first day of school). If a households' eligibility changes from the previous school year, the change must go into effect immediately upon receipt of a current household application.</p> <p>Q: Must I send household applications to children who were approved last year?</p> <p>A: Yes, schools are required to distribute household applications each school year to all children in attendance, that were not determined eligible through Direct Certification match results. Schools may not distribute household applications prior to July 1st, and not more than 30 days prior to the first day of school. This requirement is designed to ensure that current annual income and household size are correctly represented each year. The only exception to this requirement is afforded to schools that elect to participate in the Special Assistance certification and reimbursement</p> |
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| <p style="text-align: right;">FAQ</p> | <p>alternatives.</p> <p>Q: If a student leaves the LEA late in the school year (in March for example) and returns at the beginning of the next school year, may the students eligibility be based on last year's eligibility prior to household application approval?</p> <p>A: Yes, the child is eligible for the first 30 operating days, if the child was eligible for benefits when the household left the LEA.</p> |
| <p>Household Application Processing Time Frame</p> | <p>Household applications should be reviewed and an eligibility determination made <i>within 10 operating days</i> of the receipt of the household application. Household applications should be processed upon receipt, particularly for new students who do not have approved household applications on file from the previous year.</p> <p>Note: Date Stamping of documents is recommended as a best practice.</p> |
| <p style="text-align: right;">FAQ</p> | <p>Q: How quickly should I process household applications?</p> <p>A: Household applications for new students and others who cannot be provided meal benefits based on the prior year's eligibility should be processed as quickly as possible. For children with a household application on file from the prior year, such as returning students and new students who had siblings in the school the prior year, an eligibility determination should be made within 10 working days of the return of the new household application.</p> |
| <p>Eligibility Criteria 7CFR245.3(a) CN 27-05</p> | <p>For a child to be eligible for free or reduced-price benefits, the child must have been directly certified or the household must submit a complete household application <i>and</i> be categorically eligible, income eligible, or case number (FDPIR, Cash Assistance, SNAP) eligible. A complete household application is a household application that contains all required information for making an eligibility determination as outlined below:</p> |
| <p>CN 01-09</p> | <p>Categorical Eligibility</p> <ul style="list-style-type: none"> • A child for whom migrant, homeless, or runaway classification has been established through the school's migrant/homeless/runaway liaison or coordinator. • Children who are enrolled in Head Start Programs are also automatically eligible for free meal benefits provided proper documentation is on file with the LEA. <p>Income Eligibility</p> <ul style="list-style-type: none"> • A child from a household that submits a complete household application, where the sum of the reported gross income for the household is at or below the eligibility limits as identified in the Income Eligibility Guidelines, is eligible for either free or reduced- |

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| | <p>price benefits.</p> <p>The determining official must review each incoming household application:</p> <ul style="list-style-type: none"> to ensure that the household submitted a complete household application then determine whether the household is <ul style="list-style-type: none"> categorically eligible, income eligible, or case number eligible (based on FDPIR, SNAP, or cash assistance) for benefits. <p>Household applications for households that are not categorically eligible, income eligible, or case number eligible cannot be approved for benefits.</p> <p>*Note: Categorical eligibility may be temporarily approved for up to 30 days if a household application has been submitted and the eligibility determining official is waiting for eligibility documentation from the school's migrant/homeless/runaway liaison or coordinator. Follow-up of eligibility after 30 days is mandatory.</p> |
| Citizenship | <p>U.S. citizenship is <i>not</i> a condition of eligibility for free and reduced-price benefits. LEAs must apply the same eligibility criteria for citizens, noncitizens and Federal Amnesty Program participants.</p> |
| Complete Household application 7CFR245.6(a) 7CFR245.2(a-4) (1)(i) CN 04-05 CN 27-05 CN 20-06 | <p>A complete household application must include all the following required information before the determining official can make an eligibility determination:</p> <ul style="list-style-type: none"> For SNAP/CA/ or FDPIR households - Required information to determine case number eligibility: <ol style="list-style-type: none"> Name of the child(ren), The SNAP, FDPIR, or cash assistance case number for a household member and Signature of an adult household member. Income Eligibility Households - Required information to determine income eligibility: <ol style="list-style-type: none"> Name of child(ren) Names of <i>all</i> household members including the child for whom household application is made; The current amount of gross income received by each household member, identified by the individual who receives it, and the source of the income, such as wages, welfare and alimony; The frequency or how often each form of income is received (i.e., monthly, weekly, yearly). Signature of an adult household member; and Social security number of the adult who signs the household application. If the household member does not have a social security number, the word NONE can be substituted for the social security number or the box indicating no social security number must be checked. |

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| | <ul style="list-style-type: none"> For foster children - Required information to determine income eligibility: <ol style="list-style-type: none"> Name of the child, Child's personal income and Signature of an adult. For migrant, homeless, and runaway children - Required information to determine income eligibility: On the household application: (Note: Household applications are not required, but may be submitted) <ol style="list-style-type: none"> Name of the child(ren) Part 3 completed with a check in the appropriate box (migrant,homeless, or runaway) A document from the school's migrant/homeless/runaway liaison with: <ul style="list-style-type: none"> Student's name Date of eligibility Migrant/homeless/runaway liaison's signature <p>Note: If a household application is not submitted, the document or student list from the migrant/homeless/runaway liaison is an acceptable form of documentation for certifying the child(ren) for free meals.</p> <p>Households with some children in the SNAP/FDPIR/cash assistance household and others who are not:</p> <ul style="list-style-type: none"> If a child is not a member of a SNAP, Cash Assistance unit, or FDPIR program, but resides in a larger household with another member who are case number eligible, the child is automatically eligible for free meals. <p>A homeless family or child temporarily residing with another household/host family:</p> <ul style="list-style-type: none"> If a homeless family temporarily resides with another household, the host family's income is not taken into consideration when determining whether the homeless family is eligible for free meals. If the host family submits a household application for free and reduced-price meals, they may include the homeless family as household members if the host family provides financial support to the homeless family (shelter, clothing, food, etc.) <p>Q: A family recently moved to Arizona, the family reports zero income, but was SNAP household in the other state. Could this family be determined free based on their out-of-state SNAP number?</p> <p>A: No, when a new child enrolls in school, it is required that the applicant's eligibility be based on the household's current circumstances. When a household leaves a state, the household can no longer receive SNAP from that state. The current circumstances would warrant a temporary approval, based on zero income. At the</p> |
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| <p>FAQ</p> | <p>end of the temporary approval, SNAP certification in Arizona should be complete. The family would provide an Arizona SNAP number at this time.</p> <p>Q: If any item of required information is missing from the household application, may the determining official make an eligibility determination on the basis of a sibling's household application or must he/she consider the household application incomplete and take follow-up action?</p> <p>A: A determining official may look to a sibling's household application for any item of required information. The official may staple the household applications together. In lieu of stapling the two household applications together, the official may photocopy the complete household application and staple the photocopy to the incomplete household application or transfer the information from the complete household application, initialing it and noting the source of the information. The complete household application must be readily available for review.</p> <p>Q: If any item of required information is missing from the free and reduced-price household application, may the determining official complete the household application for the household using information derived from other records available to the school?</p> <p>A: No item of required information may be derived from a source other than the household or a sibling's household application.</p> <p>Q: What is acceptable as an adult signature?</p> <p>A: Any printed name or cursive signature appearing in the space following the certification statement is an acceptable signature. We do not expect all legal signatures to be cursive.</p> <p>Q: When a household application is submitted for each sibling separately and the adult signature is missing on one or more of the household applications, can a sibling's household application with a signature be photocopied and/or stapled to the household application(s) missing the signature(s) to make a complete household application?</p> <p>A: Yes, if the remainder of the information on the household application with the missing signature is the same as the information on the household application(s) missing the signature.</p> <p>Q: Several household applications, none of which is complete, are submitted from the same household for different children. How many sibling household applications can be used to generate a complete household application?</p> <p>A: There MUST be at least one complete household application in</p> |
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| CN 13-10 | <p>which the household member has certified the information to be correct from which information may be obtained to complete one or more sibling household applications.</p> <p>Q: If a sibling was not listed on last year's household application but comes from a family with children who were eligible for free meals last year, can I claim free reimbursement for that child before household applications are processed for the school year?</p> <p>A: Yes, the LEA may claim the same level of benefits for new children from households with children who were approved for benefits last year.</p> <p>Q: A household voluntarily provided pay stubs with the household application which conflict with the income information on the household application. According to the income information on the household application, the household is eligible for benefits. However, the pay stubs indicate the household is not eligible. What should the determining official do?</p> <p>A: The submission of the pay stubs must be disregarded and initial determination must be made based on the completed application. When this occurs the school may combine the notice of approval with the notice of adverse action in a single letter. This provides the household opportunity to resolve the discrepancy during the 10-day advance notice of adverse action. The school may also combine the notice of approval with the notice of selection for verification to give the household opportunity to submit additional documentation to confirm eligibility. Determining officials are in the best position to determine the appropriate action to take. However, the inconsistency must be resolved.</p> <p>Q: A household voluntarily provided pay stubs with the household application, but did not write the amount of each person's income on the household application. All other sections were completed. According to the pay stubs, the household is eligible for benefits. What should the determining official do?</p> <p>A: Rather than denying the household application or returning the household application to the household, the determining official may contact the household, by phone or in writing, to ensure that the household submitted all documentation of income. The official should document the contact, enter the information on the household application and initial and date the action.</p> <p>Q: Can the determining official make an eligibility determination based upon other income sources, which were not declared on the household application but about which the official knows?</p> <p>A: No. The determining official must make the initial determination</p> |
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| <p>Determining Household Size SP-02-08; CNP-01-07 CAC-02-06; SFS-02-05 SP-03-03; SP-03-04</p> <p>Child Classification 7CFR273.1(b)(ii)</p> <p>7CFR245.2(b)</p> | <p>based upon the face value of the household application. However, immediately after the household application is approved, the LEA may begin the verification process on that household application.</p> <p>To determine income eligibility for benefits, school officials must compare the household size and the total household income to the Income Eligibility Guidelines. School officials may be asked by households for guidance as to who to include as a household member or what to include as income on the household application for benefits. Although school officials may have to use their own discretion in some instances, the following guidelines are intended to provide assistance in answering questions from households and in making income eligibility determinations.</p> <p><u>Household (Family)</u> A group of related or unrelated individuals who are not residents of an institution or boarding house, but who are living as one economic unit</p> <p><u>Economic Unit</u> A group of related or unrelated people who share housing and/or all significant income and expenses of its members.</p> <p>Generally, individuals residing in the same house are an economic unit. However, more than one economic unit may reside together in the same house. Separate economic units in the same house are characterized by prorating of expenses and economic independence from one another.</p> <p><u>Household of One</u> A one-person household. This term applies to an emancipated student living alone or as a separate economic unit, a foster child, or a residential child.</p> <p><u>Adopted Child</u> An adopted child for whom a household has accepted legal responsibility is considered to be a member of that household. Subsidies received by households that assist them in caring for these children must be included as household income.</p> <p><u>Child Attending an Institution</u> A child who attends but does not reside in an institution is considered a member of the household in which he/she resides.</p> <p><u>Child Away at School</u> A child who is temporarily away at school (e.g., attending boarding school or college) should be counted as a member of the household.</p> |
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| | <p><u>Child Living with One Parent, Relative or Friends</u> In cases where no specific welfare agency or court is legally responsible for the child, or where the child is living with one parent, other relatives or friends of the family, the child is considered to be a member of the household with whom he/she resides. Children of divorced or separated parents are generally part of the household that has custody.</p> <p><u>Joint Custody</u> In cases where joint custody has been awarded and the child physically changes residence, the child may submit a household application from either or both households. The child is entitled to the greater benefit level.</p> <p><u>Emancipated Child</u> A child determined to be emancipated by the State and living alone or as a separate economic unit is considered a household of one. In some cases, an emancipated child may be living with relatives or friends, none of whom is an adult. If the household is one economic unit, all income and household members must be included to determine eligibility. Age is not a factor in defining an emancipated child.</p> <p>FAQ</p> <p>Q: Does an emancipated child sign his/her own household applications? Is a social security number required? A: An emancipated child who lives alone as a household of one or as a member of a household with no adult members must sign his or her own household application. No social security number is required, since the emancipated child is not an adult.</p> <p>Q: What if a child lives with his/her parents and is required to pay for room and board? Is the child a separate household? A: No. The family continues to have legal responsibility for the child. The child may be considered a separate household only in those cases where the court has declared the child to be emancipated.</p> <p><u>Foreign Exchange Student</u> A foreign exchange student is considered a member of the household in which he/she resides, (i.e., the household hosting the student).</p> <p><u>Foster Child</u> A foster child is a child who is living with a household but who remains the <i>legal responsibility</i> of the welfare agency or court. Such a child is considered a household of one.</p> <p>FAQ</p> <p>Q: Would a child be considered a foster child if under Kinship Care? A: No. The child would be part of the household unless the care is awarded by the welfare agency or court.</p> |
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| <p>Policy 765-5 REV 1</p> <p>FAQ</p> <p>SPS-92-42 SP-02-15 CN 08-03</p> | <p>Q: Who signs the household application for a foster child? A: The foster parent/guardian or other official representative for the child must sign the household application for a foster child; however, the foster parents'/guardians' income, household size and social security number are not required.</p> <p>Q: If a child is taken out of their home by Child Protective Services (CPS) and placed with a family member not receiving benefits, what household do I determine this child to be a member of? A: When CPS removes a child from their home the child becomes a 'temporary court ward' and is the legal responsibility of CPS. Since the agency retains legal responsibility for the child, the house of the family member is, in fact, an extension of that agency and the child is considered an economic unit of one. Since the child is an economic unit of one, the household size or income of the family member is not used to determine eligibility.</p> <p><u>Institutionalized Child</u> A residential child is a child who resides, temporarily or permanently, in a residential-type facility, which the State has determined, is not a boarding school. Such a child is considered a household of one. The household application must be signed by an official representative of the institution.</p> <p>Q: Is a household application required for students who reside in an RCCI and attend public school during the day? A: Yes. The day school must have a household application on file for each child for whom a free or reduced-price meal is served and claimed for reimbursement, regardless of the child's place of residence. A complete household application would consist of the student's name listed in the foster child section of the household application, income information, and the signature of the adult authority of the student's residence. Institutionalized children are not to be categorically certified as eligible for free and reduced-price benefits. A record of each child's income, even if "0," must be identified on the household application.</p> <p><u>Homeless Child</u> The definition of homeless children or youth are individuals who lack a fixed, regular, and adequate nighttime residence. This definition includes:</p> <ul style="list-style-type: none"> • Children or youths who are sharing the housing of another person due to loss of housing, economic hardship, or a similar reason; are living in hotels, trailer parks, or camping grounds; are living in emergency or transitional shelters; are abandoned in hospitals; or are awaiting foster care placement. • Children or youths who reside in a public or private place not ordinarily used as a regular sleeping accommodation for human |
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| <p>Family Members Living Apart CN 19-03</p> <p>CN 21-10</p> <p>FAQ</p> <p>Determining Household Income 7CFR273.9(b)</p> | <p>beings.</p> <ul style="list-style-type: none"> • Children or youths who are living in cars, parks, public spaces, abandoned buildings, substandard housing, bus or train stations, or similar settings. • Migrant children who qualify as homeless because they are living in any of the circumstances above. <p><u>Family members living apart</u></p> <p>Family members living overseas or not living with the household for an extended period of time are not considered members of the household for purposes of determining eligibility, but any money made available by them or on their behalf for the household is included as income to the household. Family members living apart on a temporary basis are considered household members.</p> <ul style="list-style-type: none"> • Deployed service members are considered resident family members living apart on a temporary basis. Families should be instructed to include the names and income of deployed service members on their meal benefit forms. • Combat pay is in addition to a service member's basic pay and is discussed under the income exclusions section below. <p>Q: What if the determining official suspects that there are other sources of income? A: Any household application that contains questionable information must be verified as soon as possible.</p> <p>Q: If two separate households rent living space (e.g., an apartment or house), and one household gives its portion of the rent to the other household, which in turn transmits the full rent to the landlord, does the rental income given to the transmitting household count as rental income? A: No. The transmitting household has not received income; rather, it is performing a simple financial transaction that does not provide it with additional income.</p> <p>Households must provide the amount of gross income received, identified by the individual who received it, how often the income is received, and the source of the income, such as wages, welfare, etc. The following are not to be included as part of income:</p> <ul style="list-style-type: none"> • SNAP benefits • Any Family Subsistence Supplemental Allowance (FSSA) • Military combat pay <p><i>It is the responsibility of the determining official to compute the household's total gross income and compare the total amount to the Income Eligibility Guidelines.</i></p> |
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| <p>FAQ</p> | <p>Q: If one household owns a housing unit and rents living space to another household, does the household receiving the rental fee have to report this amount as income?</p> <p>A: Yes. Income includes money derived from rent of room(s), apartment(s), etc. If a household receives rental income from another household, it must be included as income. The treatment of rental income would be similar to the treatment of self-employment income.</p> <p>If only one gross income is given, compare that gross income to the relevant Income Eligibility Guidelines for that time frame.</p> <ul style="list-style-type: none"> ▪ Example: For a household of five that receives one paycheck each month, compare their gross income to the monthly Income Eligibility Guidelines for a five-person household. <p>If all gross incomes are received for the same time frame, add all the gross incomes together and compare the total gross income to the Income Eligibility Guidelines for that time frame.</p> <ul style="list-style-type: none"> ▪ Example: If both parents in a family of three receive paychecks each week, add the two incomes together and compare the total to the weekly Income Eligibility Guidelines for a household of three. <p>If the gross incomes are for different time periods (e.g., one monthly, one biweekly, one weekly) the determining official must convert all reported gross incomes to YEARLY, and then add the incomes together to determine total household income. The determining official must then compare this figure and the household size to the yearly INCOME ELIGIBILITY Guidelines and determine the eligibility of the household.</p> <ul style="list-style-type: none"> ▪ Example: If a parent receives a paycheck biweekly and receives a child support check monthly, convert the biweekly paycheck to an annual amount by multiplying by 26. Then convert the monthly child support to annual by multiplying by 12. Add the two amounts together and compare to the annual Income Eligibility Guidelines for the household size. ▪ When a household is computing yearly income, the following conversions must be used: <ul style="list-style-type: none"> ▪ Every Week: Multiply the total gross income by 52. ▪ Every Two Weeks: Multiply the total gross income by 26. ▪ Twice a Month: Multiply the total gross income by 24. ▪ Monthly: Multiply the total gross income by 12 |
| <p>FAQ</p> | <p>Q: How much judgment or discretion may an LEA exercise in determining whether a household does or does not meet the eligibility criteria for benefits?</p> <p>A: Frequently, questions arise concerning what is to be included as income and what constitutes a household. The <i>Free and Reduced-Price Policy Handbook</i> is intended to provide guidelines for those individuals making eligibility determinations. The guidance cannot,</p> |

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| 7CFR245.2(a-2) | <p>however, address each individual situation. Determining officials will occasionally have to apply the broad concepts set forth in this guidance to some individual situations. If unusual situations unlike any examples in the guidance arise, the determining official should contact the Arizona Department of Education, School Health and Nutrition Programs for guidance.</p> <p><u>Reportable Income</u> Income is any money received on a recurring basis, including <i>gross</i> earned income, unless specifically excluded by legislation. Specifically, gross earned income means all money earned before such deductions as income taxes, employee's social security taxes, insurance premiums and bonds. Income includes the following:</p> <p><u>Earnings from work</u> Wages, salaries, tips, commissions, net income from self-owned businesses and farms, strike benefits, unemployment compensation, workers' compensation</p> <p><u>Welfare/Child Support/Alimony</u> Public assistance/welfare payments (Cash assistance, Aid to Dependent Children [ADC], General Assistance, General Relief, etc.); alimony or child support payments; but not SNAP benefits</p> <p><u>Payments from Pensions, Retirements, Social Security</u> Pensions, retirement income, social security, supplemental security income and veteran's payments.</p> <p><u>Any Other Income</u> Net rental income; annuities; royalties; disability benefits; interest; dividend income; cash withdrawn from savings; income from estates, trusts, investments; regular contributions from persons not living in the household; and any other money that may be available to pay for the child(ren)'s meals.</p> <p>Household's must report current gross income on a household application. Current income is defined as income received by the household during the month prior to household application. If this income is higher or lower than usual and does not fairly or accurately represent the household's actual circumstances, the household may project its annual income based on the guidelines identified below.</p> |
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| <p>Projected Income for Seasonal Workers and Others</p> | <p>Seasonal workers, such as migrants, and others whose incomes fluctuate usually earn more money in some months than in other months. Consequently, the previous month's income will commonly distort the household's actual circumstances. In these situations, the household may project its annual rate of income and report this amount as its current income. If the prior year's income provides an accurate reflection of the household's current annual rate of income, the prior year may be used as a basis for the projected annual rate of income.</p> |
| <p>Income for the Self-Employed 7CFR273.9(b)(1)(ii) 7CFR273.9(C)(9) 7CFR273.11</p> | <p>Self-employed persons may use last year's income as a basis to project their current year's net income, unless their current net income provides a more accurate measure.</p> <ul style="list-style-type: none"> • Self-employed persons are credited with net income rather than gross income as described here. Net income for self-employment is determined by subtracting business expenses from gross receipts. • Gross receipts include the total income from goods sold or services rendered by the business. • Deductible business expenses include the cost of goods purchased, rent, utilities, depreciation charges, wages and salaries paid, and business taxes (not personal federal, state or local income taxes). • Non-deductible business expenses include the value of saleable merchandise used by the proprietors of retail businesses. • Net income for self-employed farmers is figured by subtracting the farmer's operating expenses from the gross receipts. • Gross receipts include the value of all products sold, money received from the rental of farmland, buildings or equipment to others, and incidental receipts from the sale of items such as wood, sand or gravel. • Operating expenses include cost of feed, fertilizer, seed and other farming supplies; cash wages paid to farmhands; depreciation charges; cash rent; interest on farm mortgages; farm building repairs; and farm taxes (but not local, state and federal income taxes). |
| <p>Income from Wages and Self-Employment 7CFR273.11</p> | <p>For a household with income from wages and self-employment, each amount must be listed separately. When there is a business loss, income from wages may <i>not</i> be reduced by the amount of the business loss. If income from self-employment is negative, it should be listed as zero income.</p> |

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| <p>Military Benefits SP-02-08 CNP-01-07 CAC-02-06 SFS-02-05 SP-03-03 SP-03-04 CN-09-02 CN-10-02 CN-47-02 CN-19-03 CN-06-05</p> <p>FAQ</p> | <p>Military benefits received in <i>cash</i>, such as housing allowances for military households living off base, and food or clothing allowances, must be considered as income.</p> <p>Free and reduced-price meal eligibility will not include the housing allowance for military personnel living in privatized housing as income. However, military personnel that reside off base in non-military housing (general commercial/private real estate) will continue to report housing allowances as income.</p> <p><u>Foster Child's Income</u> Only the child's income is considered for eligibility purposes. The child's income includes:</p> <ul style="list-style-type: none"> • Funds provided, by the welfare agency, are specifically identified by category for the personal use of the child, such as for clothing, school fees and allowances. Welfare funds paid to the foster parents identified by category for shelter and care, and those identified as special needs funds, such as those for medical and therapeutic needs are not considered as income. Where welfare funds cannot be identified by category, no portion of the provided funds is considered as income. • Other funds received by the child, including any income the child earns for full-time or regular part-time employment, and money provided by the child's family for personal use. <p>Q: When foster parents apply for benefits for their own children, do they include their foster children as household members, and do foster parents include the payments provided by the welfare agency for care of the foster children as income to the household?</p> <p>A: No. Since each foster child, including a preschool foster child, is a household of one, foster children are not included in the foster parents' household. Payments received by the household for care of the foster child are intended to be used for the foster child and, therefore, are not included as part of the foster parents' income.</p> <p><u>Institutionalized Child's Income</u> Payments from any source directly received by the institution on a child's behalf are not considered as income to the child. Only the income a child earns from full-time or regular part-time employment and/or personally receives while in residence at the institution is considered as income.</p> <p><u>Child's Income</u> The earnings of a child who is a full-time or regular part-time employee must be listed on the household application as income. However, occasional earnings, such as income from occasional baby-sitting or mowing lawns, should not be listed on the household application as income.</p> |
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| <p style="text-align: center;">FAQ</p> <p>Income Exclusions 7CFR273.9(c) SNP-93-42 SPS-92-12 CN 05-05</p> <p>CN 21-10</p> | <p><u>Alimony and Child Support</u> Any money received by a household in the form of alimony or child support is considered as income to the receiving household. However, any money paid out for alimony or child support may not be deducted from that household's reported gross income. Any alimony or child support payments received by the household must be included as household income.</p> <p>Q: Are children for whom households receive adoption assistance payments under Title IV-E of the Social Security Act automatically eligible for free school meals? A: No. Although Sections 673 and 674 of the Social Security Act specify that, for purposes of Titles XIX (medical assistance) and XX (child care), children whose parents receive adoption payments shall be deemed to be recipients of the Aid to Families with Dependent Children program, the statute did not extend this equivalency to the NSLP, SBP or SMP. Additionally, since there is no legislative prohibition from considering the adoption assistance payments as income, the amount of assistance must be included as household income in the free and reduced-price meal eligibility determination.</p> <p><u>Lump Sum Payments</u> Lump sum payments or large cash settlements are not counted as income since they are not received on a regular basis. These funds may be provided as compensation for a loss that must be replaced, such as payment from an insurance company for fire damage to a house, or they may be payments from lottery or other winnings. When lump sum payments are put into a savings account and the household regularly draws from that account for living expenses, the amount withdrawn is counted as income.</p> <p><u>Garnished Wages and Bankruptcy</u> Income is the gross income received by a household before deductions. In the case of garnished wages and income ordered to be used in a specified manner, the total gross income must be considered regardless of whatever portions are garnished or used to pay creditors.</p> <p><u>Military Combat Pay</u> As set forth in the statute, combat pay is defined as an additional payment made under Chapter 5 of Title 37 of the United States Code, or as otherwise designated by the secretary to be excluded, that is received by the household member who is deployed to a designated combat zone. Combat pay is excluded if it is:</p> <ul style="list-style-type: none"> • Received in addition to the service member's basic pay; • Received as a result of the service member's deployment to or service in an area that has been designated as a combat zone; and • Not received by the service member prior to his/her deployment to or service in the designated combat zone. |
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| <p>FAQ</p> | <p><u>Additional Income Exclusions</u></p> <p>Income not to be reported or counted as income in the determination of a household's eligibility for meal benefits includes:</p> <ul style="list-style-type: none"> • any cash income or value of benefits a household receives from any federal program that excluded such income by legislative prohibition, such as the value of SNAPs provided under the SNAP Program; • student financial assistance provided for the costs of attendance at an educational institution, such as grants and scholarships, awarded to meet educational expenses and not available to pay for meals; • loans, such as bank loans, since these funds are only temporarily available and must be repaid; • the value or cash payment for any child care provided or arranged under the Child Care and Development Block Grant; • the value of in-kind compensation, such as military on-base housing, housing for clergy or any other non-cash benefit; • payments received under the Job Training Partnership Act (JTPA); - occasional earnings received on an irregular basis, (i.e., not recurring) such as payment for occasional baby-sitting or mowing lawns; and • any subsidy received through the prescription drug discount card program for households on Medicare <p>Q: Why is the off-base housing allowance provided to service personnel counted as income when the value of on-base housing is not?</p> <p>A: Income is defined as all cash received on a recurring basis. In-kind benefits, by definition, are not cash payments and, therefore, are not considered as income for the purpose of determining benefit eligibility. School officials are not in a position to determine the value of in-kind benefits, such as housing for clergy, cars for salespersons, employee medical or dental benefits, etc. The income exclusion for in-kind benefits is uniform throughout the school meal program. To treat in-kind benefits provided to military households differently from in-kind benefits provided to the general population would create an inequity. The fact that the value of military on-base housing is more readily identifiable than other sources of in-kind benefits would not lessen the inequity.</p> <p>Q: What are some examples of payments from federal programs, which are excluded from consideration as income by legislative prohibition?</p> <p>A: (1) The value of assistance to children and their families under the National School Lunch Act, the Child Nutrition Act of 1966 and the Food Stamp Act of 1977; (2) any payment to volunteers under Title I (VISTA and others) and Title II (RSVP, foster grandparents</p> |
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| <p>Household Application Approval or Denial 7CFR245.6(c) CN 27-05</p> | <p>and others) of the Domestic Volunteer Service Act of 1973 to the extent excluded by that Act; (3) payments received under the Job Training Partnership Act; and (4) student financial assistance received under Title IV of the Higher Education Act of 1965, including the Pell Grant, Supplemental Education Opportunity Grant, State Student Incentive Grants, National Direct Student Loan, PLUS, College Work Study and Byrd Honor Scholarship Programs, to the extent excluded from the Act.</p> <p>Q: Is the U.S. Armed Forces FSSA counted as income for the purposes of determining eligibility? A: For eligibility determination purposes, the FSSA payments MUST be counted as earned income to the household, because there is no legislative authority that would permit the exclusion of FSSA payments from consideration as income. Please note that some military families receiving FSSA payments may still be income eligible for free or reduced-price meal benefits. Other military families receiving FSSA payments also may be certified to receive SNAP benefits; families receiving SNAPs are eligible for free meals or free milk in the NSLP, SBP and SMP.</p> <p>The LEA must not delay approval of the household application if the household fails to provide any non-required information; for example, the household does not complete the racial/ethnic identity question. Household applications that are complete and meet the categorical or income eligible guidelines must be approved.</p> <p>Households that submit an incomplete household application cannot be approved. If any <i>required</i> information is missing, the information must be obtained before an eligibility determination can be made. To get the required information, the school may return the household application to the household or contact the household either by phone or in writing. The determining official must document the details of the contact and date and initial the entry.</p> <p>Exception: If the household application is missing the signature of an adult household member, the household application must be returned to the household to obtain a signature. In signing the household application, the household member is certifying that the information on the household application is true and correct.</p> <p>Every reasonable effort should be made to obtain the missing required information prior to denying the household application. Households that are not categorically eligible, income eligible, or case number eligible cannot be approved for benefits.</p> |
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| <p>FAQ</p> <p>Temporary Approval CN 09-02</p> | <p>If there are inconsistencies or any questions concerning the required eligibility information provided, the household application must be denied, unless the inconsistencies or questions are resolved. The official may contact the household prior to denial, document the details of the contact, and date and initial the entry.</p> <p>Q: What if the racial/ethnic data collection question is not completed? A: Parents' provision of this information is voluntary and failure to provide the information must not affect the child's eligibility for benefits. LEAs are required to develop alternative means of obtaining racial and ethnic data for applicants when such information is not voluntarily provided by parents on the household application.</p> <p>When a household reports zero income or a temporary reduction in income, eligibility must be determined based on the present rate of income rather than on regular annual income. However, the approving official should issue temporary approval of the household application. The time frame for a temporary approval may vary depending on the household's circumstances.</p> <ul style="list-style-type: none"> For example, if the primary wage earner expects to return to work in two weeks, the temporary approval may be awarded for a shorter period of time than if the primary wage earner has lost his or her job and has no prospects for a new one. <p>A maximum time limit for temporary approval is 45 calendar days. At the end of the approval period, the school must contact the household to determine if the household circumstances have changed (See program forms: "Notification of Temporary Approval Expiring" on ADE website under the NSLP webpage).</p> <p>If the household situation has not changed, the sponsor has the option to:</p> <ul style="list-style-type: none"> continue eligibility on a temporary basis and re-evaluate the situation at another interval; make the eligibility valid for the duration of the current school year which will then carry over into the first 30 operating days of the next school year. <p>Note: The sponsor should be consistent in their approval practice to avoid claims for discrimination. When the temporary approval is extended, a follow-up must be included with the family's documentation. If the household circumstances have changed, the school should send a new household application to the household so that they may reapply for benefits; or document the household's current income or SNAP/cash</p> |
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| FAQ | <p>assistance number on the household application, initial and date the changes.</p> <p>Exception: Zero income on a household application for a foster child or institutionalized child is acceptable and may be approved for the school year. Such household application does not require follow-up.</p> <p>Q: What if there is no income on a household application? Do I consider it as zero, or should I go back to the household for additional information?</p> <p>A: If no income is listed on the household application, the determining official should contact the household for additional information. If the determining official is unable to contact the household, the household application must be denied because it is considered incomplete.</p> <p>The USDA does not consider the subsequent re-household applications following temporary approval to be new household applications. The sponsor can thus require the household to provide income documentation at the time of re-household application, if necessary.</p> <ul style="list-style-type: none"> • Example: If a household declares what the school official considers unreasonably low income (e.g., \$1.00 for the purpose of declaring minimal income, the school official should use his or her own discretion to question the information). <p>Eligible children should receive temporary approval in the following types of economic situations:</p> <ul style="list-style-type: none"> • Temporary layoffs • Strikes (voluntary work stoppage) • Temporary receipt of public assistance (in cases where the household application specifies receipt of public assistance for a limited time) • Zero income, for whatever reason (except foster children and institutionalized children) • Temporary disability <p>• TEMPORARY APPROVAL <i>MUST</i> BE FOLLOWED-UP IN 45 DAYS.</p> <p>Q: What household applications may be considered for temporary approval?</p> <p>A: Household applications receiving temporary approval may include those from households affected by temporary layoffs, strikes, temporary receipt of public assistance and zero income. Zero income may be acceptable for a foster child or institutionalized child, and does not require any further action. Determining officials</p> |
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| <p>Households That Fail to Apply 7CFR245.6(d)</p> | <p>should use their own judgment and consider temporary approval for other questionable situations.</p> <p>School officials may complete a household application for a student <i>known to be eligible</i> if the household fails to apply. When exercising this option, the school official must complete a household application on behalf of the student based on the best household size and income information available and make an eligibility determination. The source of the information must be noted on the household application. A household social security number, household names and signature of an adult household member need not be secured. These household applications should be excluded from verification. However, the household must be notified that the student has been certified and is receiving free or reduced-price benefits.</p> <ul style="list-style-type: none"> • The designated school official responsible for completing household applications on behalf of students must sign and date the household applications. • This option is intended for limited use in <i>individual</i> situations and must not be used to make eligibility determinations for categories or groups of students. |
| <p>Children Residing in Homeless Shelters 7CFR245.6(d) CN 27-05</p> | <p>If a household application is not submitted by a homeless student, it is acceptable for the director of the homeless shelter at which the child resides or the local educational liaison to complete and submit a household application for the child. A school official may also complete a household application for a child and approve the child for free meals based solely on their knowledge that the child's address is a homeless shelter or that the child has no known address and is indeed homeless.</p> <p>If it is not practical for the school official to complete individual household applications because of large numbers of homeless children or for some other reason, documentation to substantiate free meal eligibility may consist of a list containing the following information:</p> <ul style="list-style-type: none"> • Child's name • Effective date of eligibility • Signature of the homeless shelter's director or school's homeless liaison • All households must be notified of their eligibility status within 10 working days of the receipt of the household application. • Households <i>denied</i> benefits must be given written notification of the denial. The notification must advise the household of <ul style="list-style-type: none"> ▪ the reason for the denial of benefits, ▪ the right to appeal, ▪ instructions on how to appeal, and ▪ a statement that households may reapply for free and reduced-price benefits at any time during the school year. <p>Exception: Notification of the eligibility determination refers only to pricing programs.</p> |

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| <p>Notification of the Eligibility Determination 7CFR245.6(c) 7CFR245.6(c)(1)</p> <p>Eligibility Changes PL 108-265 Sec.106</p> <p>FAQ</p> | <p>See program forms: “Notification Letter, School Meals” on the ADE website located on the NSLP webpage for a sample notification letter.</p> <p>The notification letter of approval for free or reduced-price meals can be used to inform parents that their children may be eligible for other benefits. Once notified, the parent may choose to bring the notification letter to the school or an agency to show that the student has been approved for free or reduced-price meal benefits.</p> <p>Eligibility determinations and benefits are valid for one year plus the first 30 operating days of the following school year (or until a new household application is received).</p> <p>Q: A household application was approved for benefits and the household was notified. During a review of the household applications later in the school year, the reviewer discovered that the determining official had made an error and that the information on the household application did not support the household's eligibility for benefits. What should be done?</p> <p>A: Whenever there is a reduction or termination of benefits, for whatever the reason, households must be provided the 10-day advance notice of adverse action. When there is an increase in the level of benefits, the household must be notified and the increase in benefit level provided promptly.</p> <p>Q: What kind of notice is recommended for children determined to be eligible for free or reduced-price meals?</p> <p>A: Households must be notified of their eligibility for benefits. LEAs should notify households of their child's eligibility for free or reduced-price benefits either in writing or by phone. Households denied benefits must be notified in writing.</p> <p>Q: If a school is providing benefits for a child during the first 30 operating days of the school year based upon certification information from the previous year's eligibility, and upon receiving the current year household application, the school determines there is a change in the household's eligibility, is it necessary to provide the notice of reduction or termination of benefits at the end of the 30 days, or earlier as determined by the LEA?</p> <p>A: No, it is not necessary to provide this notice of reduction or termination of benefits at the end of the 30 days, or earlier date.</p> |
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| Appeals 7CFR245.6(c)(3) | <p>A household may appeal the denial of benefits or the level of benefits for which they have been approved. When a household requests an appeal, the hearing procedures outlined in the LEA’s Free and Reduced-Price Policy statement must be followed. Hearing requirements are described in Free and Reduced-Price Policy Statement.</p> |
| Record-Keeping 7CFR210.9(b)(18) 7CFR245.6(e) 7CFR210.9(b)(19) | <p>All household applications, including household applications that were denied benefits or inactive, must be kept on file for a minimum of five years after the end of the fiscal year to which they pertain. However, if audit findings have not been resolved, the household applications must be maintained as long as required for resolution of the issues raised by the audit. Schools operating Special Assistance must keep records from their most recent base year throughout the length of the non-base year cycle. For household applications approved for benefits, the determining official should indicate the date each household application is approved and the level of benefit for which each child is approved, and sign or initial the household application. The student's name is then added to the roster, or list of eligible students, to be used at the point of service.</p> <p>For household applications from households denied benefits, the determining official must identify and retain on file the reasons for the denial. Records should also include the date of the denial, the date the denial notice is sent and the name of the determining official. These may be noted directly on the household application.</p> <p>For changes in certification status, the determining official should note the change and the date of the change on the household application and on any rosters used.</p> <p>When a child transfers to another school within the same LEA, a copy of the household application must be retained at both the sending and receiving schools (if not centrally maintained) and the date of the transfer noted. Current household applications must be on file and there must be records to support transfers in and out of the school.</p> <p>When a student is withdrawn from school, the date of withdrawal must be noted on the roster and the household application, and the roster must be updated accordingly. Sponsors with the ability to query reports that document withdrawals are not required to note withdrawals on individual household applications.</p> <p>When a student re-enters the same school, the original household application on file may be used for the rest of the school year, and until household applications are processed the following school year. At this time, the roster must be updated.</p> |

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| <p>FAQ</p> <p>Electronically Scanned and Stored Household Applications CN 09-02 CN 28-07</p> | <p>Household applications must be retrievable by each site. It is the LEA's responsibility to set up a system to retrieve household applications if they are maintained in a central office. It is helpful if household applications are categorized in the following six categories:</p> <ul style="list-style-type: none"> • Free • Reduced-price • Denied • Temporary approval • Withdrawn • Direct Certification <p>Note: Creating a separate file for each category is recommended as a best practice.</p> <p>The LEA must ensure that changes in eligibility status and transfers in and out of the school are accurately reflected on each school's roster in a timely fashion (i.e., three operating days).</p> <p>Q: Do household applications have to be maintained at the school, or may they be maintained at a central location with a list of eligible students maintained at the school?</p> <p>A: Household applications may be maintained either at the school or at a central location with a list of eligible students (roster) maintained at the school. If a LEA elects to maintain household applications at a central location, household applications must be retrievable by the school, and the LEA must ensure that changes in eligibility status and transfers in and out of the school are accurately reflected on each school's roster in the appropriate time frame.</p> <p>A sponsor of the National School Lunch Program (NSLP) may use electronically scanned and stored household applications so long as the following criteria are met:</p> <ul style="list-style-type: none"> • The sponsor is assured that the scanner system is accurately and reliably capturing the household application information. • If software is used to determine eligibility from the scanned household applications, the sponsor must ensure that manual edits are in place to ensure accurate certification determinations. • Access or security procedures are maintained to ensure confidentiality of the information. • The paper copies of household applications are maintained (if paper copies are received). • Electronically scanned copies must be maintained for a minimum of five years after the submission of the final claim for reimbursement for the fiscal year. • Procedures are developed to make an accurate count of the household applications prior to the scanning of each batch. This count must be compared to household applications successfully |
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| <p>CN 31-10</p> | <p>scanned to ensure that all household applications are entered into the system.</p> <ul style="list-style-type: none"> • ADE may require that the paper copies be retrieved by the school if the electronically scanned versions of the household applications are not operationally accessible in a timely manner or for any other reason. • Paper copies of the household application must be retained for any schools on Provisions 1,2, or 3 for five years beyond the establishment of a new base year, or longer as needed for audit resolution. • Adequate backup is maintained for the electronic files. • There is no violation of state law. <p>LEAs using electronic and scanable applications, must complete and submit the new Electronic and Scanable Household Application Checklist.</p> <p>FAQ</p> <p>Q: In a computerized operation, may I submit a pre-printed copy of last year's household application for the household to confirm the accuracy of the information and sign it? If not, what items may I pre-print?</p> <p>A: It is the household's responsibility to complete the household application. A school may send a household application with the child's name, the name of the household and the household's address pre-printed on it. No other information may be pre-printed.</p> <p>Q: May changes in status of a household application be maintained in a computer instead of being noted on the actual household application?</p> <p>A: Yes. Changes in the status of a household application may be maintained in a computer instead of being noted on the household application. School officials must ensure that the changes are readily retrievable by the school and are provided to state and federal reviewers along with the household applications during a review.</p> <p>Computer Generated Rosters</p> <p>Computer generated rosters may be used for recording of determination and verification of meal benefits. The roster printouts must include the child's name, date of eligibility, category of benefits, denials, withdrawals, transfers and verification results. The rosters should be run periodically (i.e., every day at the beginning of the school year and then once a month thereafter). The run date and determining official's signature must be recorded on each roster.</p> <p>FAQ</p> <p>Q: In a computerized operation, where the computer generates the determination, does the determining official have to sign or initial each household application?</p> <p>A: No. The determining official may sign/initial and date a sheet of paper, which would then be attached to a batch of household</p> |
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| <p>Multi-use Household Applications</p> | <p>applications. However, the computer system should be able to capture the original date of approval and update the status of household applications to account for transfers, withdrawals, terminations and other changes.</p> <p>A multi-use household application (See program forms: “Multi-use Household application for Free and Reduced-price Meals” and “Medicaid/Kidscare Sharing Form” for the current year on ADE website under the NSLP webpage) may be used by schools that wish to provide eligible children the opportunity to participate in other educational programs and benefits. To protect the household's rights to privacy while allowing the household application to be used to certify eligible children for additional programs, the household application must provide the household the opportunity to specifically waive the right to confidentiality according to the following guidelines:</p> <ul style="list-style-type: none"> • The waiver must advise the household that the information provided on the household application will be used for eligibility determinations for programs other than school nutrition programs. • The waiver must precisely identify the agencies the information will be shared with and for what purposes. • The household application must state that the signing of the waiver must not be construed by the applicant or the program administrator as an additional requirement or a prerequisite for participation in any of the school nutrition programs. • The applicant must be able to limit the waiver to encompass only those programs to which he or she wishes to apply. For example, the household application could use a checklist that would allow the applicant to check or initial a box to indicate that he or she wants to apply for benefits in a particular program. • Although the household application for school meals or milk may be signed by any adult household member, the household application must state that the parent or legal guardian for the child must sign the waiver of confidentiality. • The social security number notice required by the Privacy Act of 1974 must be modified. In addition to the current statement, applicants must be informed that while other programs on the multiuse household application may not require social security numbers as a condition of eligibility, once provided, the social security number may be used by the other programs. If any other program plans to use social security numbers for any purpose, a statement of those uses must be included. • The LEA must ensure, in writing, that entities receiving information from the multi-use household application limit the use of such information to the purposes specified on the household application. This may be done through a Memorandum of Understanding with the agency or agencies that will receive the information. This is to |
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| <p>LEA and AHCCCS Agreement</p> <p>Sharing Information with Medicaid/KidsCare/AHCCCS</p> | <p>ensure that the household's rights to privacy are respected by using the information only for the purposes agreed to.</p> <p>OTHER PROGRAMS USING THE MULTI-USE HOUSEHOLD APPLICATION MAY NEED ADDITIONAL OR FOLLOW-UP INFORMATION. THIS SHOULD BE DONE OUTSIDE OF THE MULTI-USE HOUSEHOLD APPLICATION.</p> <p>In lieu of the multi-use household application, the notification letter can be taken by the family to any program which provides benefits to children eligible for free or reduced-price meals. In this case, the family is choosing to share their school meal program eligibility status with that program. Households with children determined eligible through Direct Certification match results do not have the option of selecting other available benefits. The LEA should make accommodations for interested households.</p> <p>LEAs choosing to utilize the Medicaid/KidsCare Sharing Form with the Household application must:</p> <ul style="list-style-type: none"> • Download and complete the agreement between local educational agency and AHCCCS regarding identification of children (See program forms: “Agreement between Local Educational Agency and AHCCS (KidsCare) regarding Identification of children” for the current year on ADE website under the NSLP webpage.) The determining official of the LEA must sign the agreement and the agreement must be kept on file with the LEA • LEAs may choose to utilize the Medicaid/KidsCare/AHCCCS Sharing Form (See program forms: “KidsCare Screener” and “Medicaid/KidsCare Sharing Form” for the current year on ADE website under the NSLP webpage) with the household application. • Guidelines for returned KidsCare Sharing Forms <ol style="list-style-type: none"> 1. Examine all returned KidsCare Sharing Forms to determine if the “<i>Yes, I do want my Free and Reduced-price School Meals Household application shared with Medicaid or the Arizona Health Care Cost Containment System</i>” box is checked. Only if this box is checked, proceed. 2. Ensure the signature of an adult household member is on the household application. 3. Make copies of all household applications that correspond with the KidsCare Sharing Forms that have the “<i>Yes, I do want my Free and Reduced-price School Meals Household application shared...</i>” box checked. 4. Mail all copies of household applications to: <p style="text-align: center;">KidsCare Mail Drop 500 920 E. Madison Phoenix, AZ 85034</p> |
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| <p>Medicaid/ KidsCare/ AHCCCS Screener</p> | <p>Note: Do Not mail a copy of the household application To KidsCare if the household adult’s signature is missing.</p> <p>The Medicaid/KidsCare Screener is an alternate method of partnering with KidsCare. The Medicaid/KidsCare Screener may be mailed or made available by the LEA for households to complete.</p> <ul style="list-style-type: none"> • If the Medicaid/KidsCare Screener is returned to the LEA, the LEA should mail it to: <p style="text-align: center;">KidsCare Mail Drop 500 920 E. Madison Phoenix, AZ 85034</p> |
| <p>Disclosure of Information 7CFR245.6(f) CN 15-03</p> <p>CN 17-07 CN 07-09</p> | <p>Section 9 of the National School Lunch Act (NSLA) states that LEAs may disclose children’s free or reduced-price meal eligibility information to certain programs, activities and individuals defined in that section.</p> <p>The agency responsible for making the free and reduced-price meal or free milk eligibility determination makes the decision as to whether or not children’s information will be disclosed. This determination shall be made by the LEA or the school administration.</p> <p>The LEA may disclose aggregate information, such as the number of children eligible for free or reduced-price meals, to any program or individual. Aggregate information does not identify individual children. Therefore, parental notification and parental consent are not needed. Section 9 of the NSLA authorizes school food service officials to disclose the names and eligibility status of individual children eligible for free or reduced-price meals to persons directly connected with the administration or enforcement of the following programs:</p> <ul style="list-style-type: none"> • Federal education programs: These are programs funded at the federal level which include, but are not limited to, programs such as Title I and the National Assessment of Educational Progress (NAEP), No Child Left Behind (NCLB), migrant education, vocational programs such as those sponsored by the Job Training Partnership Act (JTPA), Indian Education (Title IX, Part A), and Johnson-O’Malley Program (JOM). • State health or state education programs: These are programs funded at the state level, with the state agency or local education agency administering the program. These may include the Arizona School Based Dental Sealant Program, alcohol and drug abuse education programs, or vision, immunization and mental health services. This would not include local educational programs such as art programs that wish to provide free art supplies to free or reduced-price eligible students. Parental consent must be provided for such local educational programs. |

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| | <ul style="list-style-type: none"> • Federal, state, or local means-tested nutrition programs, such as the Women, Infants and Children Program (WIC) and the SNAP Program. <p>Note: Procedures must be in place to ensure that only authorized individuals, who have a direct need to know, should be granted access to children’s eligibility information.</p> <p>Limited disclosure includes <i>names and eligibility status</i> only (other household application information cannot be shared, such as income information and social security numbers).</p> <p>It is also important that any program requesting eligibility information must be able to show proof of services that will be provided to those children who are eligible.</p> <p>USDA does not require state agencies and program operators to share information, but provides authority for those who wish to do so. Furthermore, disclosing all eligibility information must be in accordance with the NSLA. In addition to names and eligibility status, determining agencies may disclose, without consent, all eligibility information obtained through the free or reduced-price meal or free milk eligibility process to the following:</p> <ul style="list-style-type: none"> • Persons directly connected with the administration or enforcement of the programs authorized under the NSLA or Child Nutrition Act of 1966. This includes the National School Lunch Program, School Breakfast Program, Special Milk Program, Child and Adult Care Food Program, Summer Food Service Program, and the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC). • The Comptroller General of the United States for purposes of audit and examination. • Federal, State or local law enforcement officials investigating alleged violations of any of the programs under the NSLA and CNA or investigating violations of any of the programs authorized to have access to names and eligibility status discussed above. <p>Although the aforementioned program(s) and/or person(s) may be authorized under the NSLA to receive free or reduced-price eligibility information, there must be a legitimate <i>need to know</i> to provide a service or carry out an authorized activity.</p> <p>Any other program(s) that may request limited disclosure of student free and reduced-price eligibility information must obtain <i>written consent from the household</i> to release the information. These programs would include local health and local education programs, such as free textbooks, art</p> |
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| <p>FAQ</p> | <p>supplies or reduced fees for summer school administered at the local level. If a school does not use a multi-use household application listing the possible entities with which this information will be shared, then consent must be obtained in writing prior to the limited disclosure to those programs</p> <p>Q: May representatives of State or local educational agencies evaluating the results and compliance with student assessment programs have access to children’s eligibility information? A: State and local representatives of State or local educational agencies would be covered only to the extent that the assessment program was established at the State, not local level.</p> <p>Q: May the principal of a school compare the test scores of students in his/her school by socioeconomic status, to the test scores of students in another school in the same district? A: Students’ names and free or reduced-price eligibility status may be disclosed, without consent, for a Federal or State education program. Parental consent is required for disclosure for a local education program or use.</p> <p>Q: May the LEA disclose eligibility information to other Child Nutrition Programs? A: The LEA may disclose all eligibility information from children’s free and reduced-price household applications or information obtained through direct certification to persons directly connected with the administration or enforcement of the <i>programs authorized under the NSLP or Child Nutrition Act of 1966</i>. This includes the NSLP, SBP, SMP, Child and Adult Care Food Program (CACFP), Summer Food Service Program (SFSP), and the Special Supplemental Nutrition Program for Women, Infants and Children (WIC). This means that program eligibility information collected for any one of the CNPs may be shared with another CNP, even if the programs are sponsored by different entities. For example, a public school may disclose information from children’s free and reduced-price school meal household applications, without parental consent, to a SFSP administered by Parks and Recreation.</p> <p>Q: Who are persons “directly connected” to the administration or enforcement of a program? A: The LEA may disclose children’s eligibility status only to persons determined to be “directly connected” with the administration or enforcement of a Federal education program, State education program, State health program or a means tested nutrition program; also, to persons directly connected with the Comptroller General Office or law enforcement for an authorized activity. Persons directly connected to program administration or program enforcement include Federal, State and local program operators</p> |
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| <p>Parental Notification about Eligibility Disclosure 7CFR245.6(f)(5)</p> <p>FAQ</p> | <p>responsible for the ongoing operation or activities of their respective program, and compliance officials responsible for the monitoring, reviewing, auditing or investigating a program authorized to have access to free and reduced-price eligibility information.</p> <p>Q: To which nutrition programs may an LEA disclose children's eligibility information?</p> <p>A: Federal, State or local means-tested nutrition programs with eligibility standards comparable to the NSLP (i.e., food assistance programs to households with income at or below 185% of the Federal poverty level, such as the SNAP Program or a State or local nutrition program).</p> <p>Q. May the elementary district LEA that feeds into the local high school district LEA provide the high school LEA with the previous school year's eligibility determinations to allow the high school LEA to certify the new students for the first 30 days?</p> <p>A: Yes. In order for the high school LEA to use previous school year's eligibility determinations for the first 30 days, the elementary LEA must provide the high school LEA with copies of the household applications and both LEAs must also sign a confidentiality agreement.</p> <p>The notification must inform the parents/guardians:</p> <ul style="list-style-type: none"> • that they are not required to consent to the disclosure and their decision will not affect eligibility or participation in the school meals program • identify the information that will be shared and how the information will be used • indicate that information will not be shared by the receiving program with any other entity or program • the parent/guardian must be able to limit consent to only those programs with which he or she wishes to share information <p>The notification may be included in the letter/notice to parents/guardians that accompanies the household application, on the household application itself or in a separate notice provided to parents/guardians. For children who are determined eligible through Direct Certification, the notice of potential disclosure may be in the document informing parents/guardians of their children's eligibility for free meals through Direct Certification.</p> <p>Q: What does disclosure mean as it relates to children's personal benefit eligibility information?</p> <p>A: Disclosure means revealing or using individual children's program eligibility information that is obtained through the certification eligibility process for a purpose other than the purpose</p> |
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| <p>Agreements of Understanding 7CFR245.6(f)(7)</p> | <p>for which the information was obtained. Disclosure includes, but is not limited to, access, release, or transfer of personal data about children by means of print, tape, microfilm, microfiche, electronic communication or any other means. It includes eligibility information obtained through the household application or through Direct Certification and whether the children are eligible for free meals or reduced-price meals.</p> <p>An agreement is not needed for Federal, State or local agencies evaluating or reviewing Child Nutrition Program (CNP) operations. Similarly, an agreement is not necessary for disclosures to the Comptroller General. These activities are part of routine CNP operations and enforcement. The LEA should enter into a written agreement with other entities requesting the information prior to disclosing children’s eligibility information.</p> <p>The agreement should:</p> <ul style="list-style-type: none"> • be signed by both the LEA and receiving entity; • identify the entity receiving the information; • describe the information to be disclosed and how it will be used; • describe how the information will be protected from unauthorized users and disclosures; • describe the penalties for unauthorized disclosure; and • be signed by both the determining agency (i.e. LEA) and the entity receiving the children’s eligibility information. <p>In all cases, the receiving entity MUST be informed in writing that:</p> <ul style="list-style-type: none"> • eligibility information may only be used for the purpose for which the disclosure was made; • further use or disclosure to other parties is prohibited; and • a violation of this provision may result in a fine of not more than \$1000 or imprisonment of not more than 1 year, or both. |
| <p>Other Disclosures that Require Parental Consent 7CFR245.6(f)(3)</p> | <p>Children’s parents or guardians may provide consent for the disclosure of any or all of the information related to their children’s eligibility status (i.e., whether children are eligible for benefits), or the information that the household provided through the household application process.</p> <p>A disclosure to any other Federal, State or local program or individual not included in the NSLA requires parental consent. Other programs that require parental consent are local health and local educational programs and other local level activities.</p> |

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| <p>Consent Statement Requirements 7CFR245.6(f)(5)</p> | <p>The Consent Statement must:</p> <ul style="list-style-type: none"> • Be in writing. It may be obtained at the time of household application, or at a later time. • Identify the information that will be shared and how the information will be used. • Be signed and dated. In the case of a child participant, the consent statement must be signed by the parent or guardian of the applicant household, even though the household application may be signed by any adult household member. • State that failing to sign the consent statement will not affect eligibility or benefits for the program and that the information will not be shared by the receiving program with any other entity or program. • Enable the parent/guardian/adult to limit consent to only those programs with which he or she wishes to share information. <p>For example, the consent statement could use a checklist, thereby allowing the applicant to check or initial a box to indicate that he/she allows to have information disclosed to determine eligibility for benefits in a particular program.</p> |
| <p>Requirements for Disclosure of Social Security Numbers 7CFR245.6(f)(6)</p> | <p>The household application requires the social security number of the adult household member who signs the household application. If the adult signing the household application does not have a social security number, the box indicating no social security number must be checked. However, when disclosing or using the social security number provided by the household on the household application for any purpose other than the program for which the number was collected (i.e. NSLP, SBP), the determining agency must modify the notice required by the Privacy Act of 1974 concerning the potential uses of the social security number. The notice must inform households of the additional intended uses of the social security number.</p> |
| <p>Penalties for Improper Disclosure 7CFR245.6(f)(8)</p> | <p>The issues of privacy and confidentiality of personal data is often complicated as well as sensitive. If there is any question as to whether information should be shared with another agency or program, please contact the office of School Health and Nutrition Programs at 602-542-8700 or discuss this issue with your school district's legal counsel.</p> |
| <p>Head Start CN 01-09 CN 04-09</p> | <p><u>Additional programs receiving benefits</u> Children enrolled in a Head Start or Early Head Start program as a participant are categorically eligible for free meals through NSLP. Since benefits are being provided to all Head Start and Early Head start participants without regard to income, other household members are not automatically eligible and must either be directly certified or complete a household application.</p> |

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| <p>Even Start</p> | <p>A child enrolled in an Even Start program is eligible for free meal benefits. The income criteria for this program meets the criteria of free eligibility for the National School Lunch Program; therefore, the Food Service Director does not need a Free and Reduced-Price household application from the parents/guardian.</p> <p>Acceptable documentation for a child enrolled in Even Start:</p> <ul style="list-style-type: none"> • The child MUST be enrolled as a participant in a <i>Federally</i> funded Even Start Family Literacy Program and MUST be at the prekindergarten level. • Categorical eligibility DOES NOT apply to other family members. • A statement of enrollment from an Even Start official needs to be on file with the Food Service Director. • Documentation of a child’s participation in a <i>Federally</i>-funded Even Start program is required to establish categorical eligibility for free meals in the NSLP or SBP, or for free milk in the SMP. <p>Confirmation that the child has not yet entered kindergarten MUST be included in the documentation from the Even Start official.</p> <p>When a household submits a complete household application that contains the name of the child, a current FDPIR, CA, or FS case number and the household application contains an adult signature, the determining official MUST approve the child for free meals or free milk, as applicable. No further household application information is required as this is “Case Number Eligibility”.</p> <p>NOTE: Social security numbers are not used for SNAP/cash assistance case numbers. SNAP/CA case numbers are eight (8) digits and may be preceded by two (2) or more zeroes. On some correspondence the zeroes may be dropped. FDPIR numbers vary by tribal program.</p> |
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| <p>Direct Certification 7CFR245.6(9)(b) CN 01-04 CN 40-05 CN 03-07</p> | <p style="text-align: center;"><u>Direct Certification</u></p> <p>All Child Nutrition Program School Food Authorities are required to complete a match for all eligible children at least once within the first 30 operating days of the current school year. Matching may not be conducted prior to July 1st of the current school year, and may not be conducted more than 30 calendar days prior to the first day of school. Match results that certify children for free meals must be implemented within three calendar days of receiving the match results. Households of children matched for free meals must be notified of their free meal benefits within ten days of certifying the child for free meals.</p> <p>Schools are required to distribute and collect household applications no earlier than July 1st of each school year to all children in attendance, who were not determined eligible through Direct Certification match results.</p> <p>Note: Schools must distribute household applications to all remaining students in a manner that prevents overt identification and ensures that no child is inadvertently excluded from participation.</p> <p>For detailed guidance on current Direct Certification regulations, procedures and step by step instructions please refer to ADE's Direct Certification Guidance Manual.</p> |
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| <p>Verification 7CFR245.2(m)</p> | <p style="text-align: center;"><u>Verification</u></p> <p>Verification is a confirmation of eligibility, based on the free and reduced-price household application, for free and reduced-price meals under the National School Lunch Program (NSLP). Verification is a critical part of National School Lunch Program because on any given day, over 14 million meals are served free or at reduced-price. Free and reduced-price school meals represent an important component of this nation's nutrition safety net for needy children. Yet several data sources, including the results of local schools' verification activities, indicate the misinformation provided by some households results in the approval of a significant number of children for free and reduced-price meals who are not eligible for these meals. Since many schools are increasingly using free and reduced-price certifications as the basis for targeting funding for federal, state and local education programs, the approval of ineligible children represents a significant misappropriation of federal, state, and in some cases, local funds.</p> <p>The Local Education Agency's verification efforts must be consistent with current program rules and guidance, and designed to certify only eligible students. Please use ADE's Verification Guidance Manual for current regulations, procedures and step by step instructions on the verification process. Please remember the critical verification dates and requirements for operating the National School Lunch and School Breakfast Programs:</p> <ul style="list-style-type: none"> • Verification activities for the required sample size must be completed by November 15th of every year. • Verification reports must be submitted using ADE's Common Logon Household application by March 1st of each year. <p>Additionally, the Local Education Agency must maintain copies of the verification report and all supporting documentation for a minimum of 5 years.</p> |
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| Benefit Issuance Document | <p>The benefit issuance document is the link between the eligibility determination and how a meal will be claimed for reimbursement. The benefit issuance document must be maintained and updated on a continual basis, documenting students' eligibility status based on the current, approved free and reduced-price application or Direct Certification form. Withdrawn students should be removed, or otherwise indicated, on the benefit issuance document. The sponsor must ensure that students identified as free or reduced-price on the document are counted in the appropriate category at the point of service.</p> |
| Meal Count System | <p>Federal reimbursement is provided for each meal that meets program requirements and is served to an eligible student. To obtain this reimbursement, school personnel must accurately count, record, and claim the number of meals actually served to students by category, i.e., paid, reduced-price, or free, at the point of service. The number of meals claimed for reimbursement must have adequate documentation on file to support the claim. For detailed information on Meal Counting and Claiming, refer to the USDA's <i>Meal Counting and Claiming Manual</i> and video, FNS 270, April 1991.</p> |
| Point of Service | <p>The point of service is that point in the food service operation where it can be determined that a free, reduced-price or paid meal meeting the meal requirements has been served to an eligible student. For every point of service there must be only one site household application and therefore one corresponding reimbursement claim.</p> <p>Exception: Schools that have separate Head Start/preschool operations on their campus to which they deliver meals must treat those operations as a second point of service. The Head Start/preschool must perform accurate meal counts that are reported and consolidated with the host school's reimbursement claim. The host school may not claim reimbursement on meal delivery counts, but instead must use the actual meal counts.</p> <p>Also, only one meal per student per meal service may be claimed for reimbursement. Adult meals, a la carte items, snacks (unless approved for the After School Snack Program), dinners and second meals are not reimbursable and should be accounted for separately.</p> <p>Snacks</p> <p>Sites that are located in areas served by a sponsor and have at least 50 percent of the enrolled children certified for free or reduced-price meal benefits are eligible to receive reimbursement at the free rate for all snacks served regardless of each child's eligibility for lunch. A total meal count of the number of students receiving a snack must be recorded daily. Sites which are not in areas served by a school in which at least 50 percent of the enrolled children are certified eligible for free or reduced-price meals</p> |

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| <p>Medium of Exchange/ Avoiding Overt Identification</p> | <p>must count snacks and claim reimbursement by benefits type (free, reduced-price, or paid) for each student, and must have documentation of eligibility.</p> <p>The medium of exchange includes any type of ticket, token, ID, name or number that is issued to the students for obtaining a meal. The meal count/collection system selected must ensure that the medium of exchange prevents overt identification in the coding, distribution, and collection process.</p> <p>When determining how the medium of exchange will be coded, consider the following suggested coding methods: Methods</p> <p><u>Coding Series</u></p> <ul style="list-style-type: none"> • 10 through 1,999 free/2,000 through 3,999 reduced/4,000 through 5,999 paid <p><u>Coding by Variation</u></p> <ul style="list-style-type: none"> • Variations in signatures, placement of date, or ticket distributor such as Mary Smith, Mary J. Smith, and M. Smith <p><u>Coding by subtle differences</u></p> <ul style="list-style-type: none"> • Differences in printing such as capital letter, period, spacing of a line, or differences in underlining <p><u>Coding by number of digits</u></p> <ul style="list-style-type: none"> • Four digits for free, five digits for reduced-price or six digits for paid <p>Additional suggestions include changing the medium of exchange coding system yearly to prevent the use of a previous year's tickets and tokens. Do not use a single-symbol code such as A, B, C; X, Y, Z; or 1, 2, 3. Single-symbol codes are most easily recognized by students. Color-coding by category and single-symbol coding using obvious identifiers such as F, R, P are prohibited.</p> |
| <p>Daily Reporting</p> | <ol style="list-style-type: none"> 1. Take a physical count at the point of service of meals actually served. Attendance records may not be used. 2. Record meals on a daily basis by category (free, reduced-price, or paid). 3. Daily Edit Checks - The sponsor is to conduct daily checks at each site to ensure the number of children currently eligible for free, reduced-price and paid meals, multiplied by the sponsor's attendance factor, do not exceed the meals served for the day. 4. If a student charges his meal, the meal is recorded by category on the day that it is served and not on the day the payment is received. A charged meal is not automatically counted as a free meal. 5. Claim the student worker meals the same as any other student meals. Student workers eligible for free meals are claimed as "free," those eligible for reduced-price are claimed as "reduced," and those not eligible for free or reduced-price are claimed as "paid." |

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| <p>Special Assistance</p> | <ol style="list-style-type: none"> 6. Where schools receive meals from a vendor or a central kitchen, record only those meals actually served, not the number delivered. 7. Adult meals are not reimbursable. However, record in separate categories all program meals and other non-program adult meals such as teachers and visitors. <p>Special Assistance is a paperwork reduction provision available to sponsors that have high percentages of their enrollment eligible for free or reduced-price meals. There are three variations of Special Assistance: Provision 1, Provision 2 and Provision 3. All three provisions allow for a reduction in the frequency that household applications need to be collected. Provisions 2 and 3 also allow for simplified meal counting procedures. Sponsors must be approved to participate in Special Assistance and approval is contingent upon implementing an accurate household application approval system and accurate meal counting system. Refer to the <i>Special Assistance</i> handbook for descriptions of the different provisions.</p> |
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| Residential Child Care Institutions - RCCI FNS Instruction 776-1 Rev. 1 (6/6/88) | <p style="text-align: center;"><u>Residential Child Care Institution</u></p> <p><u>Qualifications of the Institution</u></p> <p>Residential Child Care Institutions (RCCI) can receive full benefits of the Child Nutrition Programs (CNP) per Public Law 94-105 provided that they are a public or non-profit private residential institution which operates principally for the care of children and, if private, is licensed and “tax exempt” under Section 501 c (3) of the Internal Revenue Code.</p> <p>A public institution is one that is operated by and primarily responsible to any level of federal, state or local government. A private, non-profit institution is one that is not public and is tax exempt. States may not impose any additional eligibility requirements. Of course, as with schools currently participating in the CNP’s, inability to comply with program regulations would disqualify an institution from participation.</p> <p>RCCIs are eligible to participate and receive reimbursement in both the National School Lunch Program (NSLP) and School Breakfast Program (SBP). They can also receive reimbursement for milk under the Special Milk Program (SMP) provided that they are not claiming reimbursement for those students under either the SBP or the NSLP. All meals served to eligible students must meet the meal pattern requirements.</p> <p>RCCIs have two types of children who attend: residential and day students. A residential student is one who resides in the facility and is considered a one-person household. A day student is one who attends the RCCI but does not reside in the facility.</p> <p><u>Residential Students</u></p> <p>A residential child in an RCCI is considered a one-person household because he/she is not living with his/her actual family as an economic unit. The RCCI need is not required to obtain a household application or signature from an adult household member. A residential child is defined as a family of one, therefore program eligibility for a residential child is based on income received by the child only; the family’s income should not be included. Payment received directly to the institution from any source on a child’s behalf is not considered income to the child. Only the income a child earns from employment and/or personally receives while in residence at the institution is considered income.</p> <p><u>Statement of Facts</u></p> <p>The most effective method for documenting children’s eligibility in an RCCI is to create a Statement of Facts (in lieu of collecting household applications). This is a written statement outlining the general policy or condition within the RCCI which would justify all the residential children (not including day students) to be eligible for free benefits. Household applications are always</p> |
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| <p>FAQ</p> | <p>required for day students. A sample Statement of Facts form is included below. The following are two examples of acceptable Statement of Facts:</p> <p>“All our children are wards of the court. They are not permitted to earn, receive or retain any money while in our custody.”</p> <p>“Our students are permitted to hold part-time jobs (up to 16 hours per week). The maximum earnings we have seen has been \$83 per week. We also permit students to receive up to \$5 per week from home, but require any money received or earned to be turned into our “bank” and to be drawn out only with permission.”</p> <p>Q: What income is reported for students who reside in a residential child care institution (RCCI)?</p> <p>A: Payments from any source, directly received by the institution on the child’s behalf, are not considered as income to the child. However, the money a child personally receives or earns from any full-time or regular part-time source is considered income.</p> <hr/> <div style="display: flex; justify-content: space-between;"> <div style="width: 20%;"> <p>[Example]</p> </div> <div style="width: 80%; text-align: center;"> <p>Statement of Facts for</p> <hr style="width: 80%; margin: auto;"/> <p>Name of Institution</p> </div> </div> <p>Tell us about the income policy at your institution. Your explanation constitutes documentation of eligibility for free meals.</p> <p>For the institution: Authorized Signature _____ Title _____ Date _____</p> <hr/> <p><u>Master List or Enrollment Household application</u></p> <p>If an RCCI does not have a pre-determined policy that dictates the allowable income to children, then it may wish to record eligibility determinations, by child, on a master list or on an enrollment household application. A sample master list is included below. Both master lists and enrollment household applications must contain the following information.</p> <ul style="list-style-type: none"> • Child’s personal income – indicate “0” if no income is received • Frequency with which income is received • Date of eligibility determination • Category of eligibility • Approving official’s signature/initials • Date of withdrawal • Placement agency |
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[Example]

**Master List of
Children Eligible for Free and Reduced-Price Meals
Residential Child Care Institution Only**

Month _____, 20 _____

| Name of Child | Age | Placement Agency | Date of Admission | Child's Income | Eligibility Free/Reduced | Date | Approved by | Date of Release |
|---------------|-----|------------------|-------------------|----------------|--------------------------|------|-------------|-----------------|
| | | | | | | | | |
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Day Students

Day students are children who attend, but do not reside in an RCCI. Their eligibility for free, reduced-price, or paid meal benefits is determined based on the information on the household application. Household applications are required for all day students. A Statement of Facts does not cover the eligibility of day students as it does for the residential children.

RCCIs are exempt from verification efforts except for household applications of day students. For details regarding the verification process refer to the *Free and Reduced-Price Policy Handbook*.

Below is an example of a Daily Report and Edit Check Specific to RCCIs.

[Example]

Juvenile Detention Center/Residential Institutions

Daily Report and Edit Check

Breakfast/Lunch

Institution

Month/Year

Column A Column B Column C

| Date | Juvenile s Eligible | Eligible x 99% | =Juven ile Meals Served | Non- progra m Adult Meals | Progra m Adult Meals Supper s | Supper s | Snacks/ A-La- Carte Sales |
|------|---------------------------|-------------------|----------------------------------|---------------------------------------|--|-------------|------------------------------------|
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | Totals | | | | |

Column C should not be more than Column B. If Column C is larger, meals may be claimed if documentation supports that all juvenile meals were served. Column C should never exceed Column A.

Prepared by: Signature and Date

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| | <p>and reduced-price recipients must be able to choose either meal with no additional charge.</p> <p>Program regulations require that both lunches and breakfasts be priced as a unit. The offer versus serve provision is not to affect the selling price for the lunch or breakfast established by the sponsor. Regardless of which items a student chooses, they must pay the established full or reduced-price meal charge.</p> <p>Children must not be charged any additional fees for supervisory or other services provided in conjunction with the meal programs.</p> <p>A sponsor may choose to be a pricing program where students are charged for their meals. Or, the sponsor may choose to be a non-pricing program where students are not charged for their meals.</p> <p><u>Pricing Program:</u></p> <p>Sponsors cannot charge the students more than 30 cents for breakfast or 40 cents for lunch for the reduced-price meals.</p> <p>The charge to a student paying full price should be the cost of producing a meal minus the federal reimbursement for that meal. The cost of producing a meal includes food costs, labor cost and supplies.</p> <p>For example: The meal cost is \$ 1.44 to produce and the federal reimbursement for a full price meal is \$0.20, therefore, the charge for a full price meal should be \$1.24.</p> <p><u>Non-Pricing Program:</u></p> <p>The Non-Pricing Program consists of all students receiving breakfast or lunch free of charge. However, the students are still to be claimed in the category they were approved for (free, reduced, or paid). It is a local decision whether or not to charge the students for meals.</p> <p><u>Adult Meals</u></p> <p>One of the following two methods may be used when determining the minimum prices charged for adult meals.</p> <p>Method 1:</p> <p style="padding-left: 40px;">Lunch - add the highest price paid by students to the rate of federal reimbursement for a paid student lunch and the per meal value of USDA Food assistance. Breakfast - add the highest price paid by</p> <p style="text-align: center;">OR</p> <p>Method 2:</p> <p style="padding-left: 40px;">Lunch - add the rate of federal reimbursement for a free student lunch to the per meal value of USDA Food assistance.</p> |
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| | <p>Breakfast - charge the rate of federal reimbursement for a free student breakfast.</p> <p><u>School District Employees:</u> The benefits of the National School Lunch and School Breakfast Programs are for children only. The reimbursement and USDA Foods received by schools are based on the number of school lunches and breakfasts served to students. No reimbursement or USDA Foods are provided for meals served to adults. If meals are included as a fringe benefit or offered as part of the salary arrangement for non-food service personnel, the school must provide enough money from non-school food service funds to the food service account to pay the cost of these adult meals.</p> <p><u>School Food Service Employees:</u> Meals served to cafeteria employees directly involved in the operation and administration of the breakfast and lunch programs (managers, cooks, servers, etc.) may be served at no charge and considered as a fringe benefit attributable to program costs. Therefore, the cost of such meals may be paid from program funds. Charging school food service employees for meals is left to the discretion of school officials.</p> <p><u>Adult Volunteers:</u> Adults serving as lunchroom monitors are able to receive a meal without charge. These adults may, at the discretion of the district, receive a free meal because they are working directly with the meal service. These meals are not eligible for reimbursement and the district must therefore absorb the cost.</p> <p><u>Adult Meals for Non-pricing School:</u> Adults may pay cash through the line, use payroll deduction or buy an adult ticket. The cash amount must be recorded daily and deposited regularly.</p> <p><u>Adult Visitors:</u> The charge to adult visitors, at the discretion of school officials, may be higher than the charge paid by adult school employees.</p> <p><u>A-La-Carte</u> A-la-carte sales include any items sold in addition to the unit-priced breakfast and lunch. Some school districts have limited a la carte sales to milk and items on the menu. However, the revenue from a la carte sales can subsidize the school lunch program. At a minimum, a la carte prices should be set to cover the total cost of each item.</p> <p>When setting prices it is helpful to group items at a particular price. For example, you could price all vegetables at \$0.50 a portion, or all similar size</p> |
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cookies at 25 cents each. Group pricing of items is easier for the customer and easier for the cashier.

To claim a la carte meals as reimbursable, the following requirements must be met:

1. All five food items must be planned and available in the a la carte line.
2. Food items intended to meet the meal pattern must be served in the planned portion.
3. These combinations must be sold at an established unit price.
4. All free and reduced-price students must be permitted to receive the reimbursable meal from the a la carte line.

Food and beverage items sold a la carte in grades K-8 must adhere to the [Arizona Nutrition Standards](#).

Labor Costs

Labor costs, including fringe benefits, should be kept under 50 percent of the revenue in order to have sufficient revenue to spend on food and other expenses and at the same time break even. The following charts and formulas will help determine productivity rate/meals per labor hour, meal equivalents, and how you should be staffed according to guidelines for both conventional and convenience preparation.

Productivity Rates or Meals Per Labor Hour (MPLH)

Productivity rates used in the foodservice industry are measured in many different ways; however, the most common means used in SFS are numbers of meal equivalents per labor hour. Productivity rate is the output calculated by dividing the number of meal equivalents produced and served in a day by the number of labor hours, as shown in the following formula:

| | | | | |
|-------------------------------------|--------------|--|--------------|---|
| Number of Meals (Output) | <div>÷</div> | Number of Labor Hours (Input) | <div>=</div> | Productivity Rate or Meals per Labor Hour (MPLH) |
|-------------------------------------|--------------|--|--------------|---|

FACTORS AFFECTING LABOR HOURS OR MEALS PER LABOR HOUR (MPLH)

- Type of food production system (on-site production, bulk satellite, pre-plated satellite, assembly-serve, etc.)
- Level of service (self-service, vending machines, plates service on serving line, made-to-order service)
- Menu (number of choices, difficulty or complexity)
- Degree of prepared foods purchased (raw ingredients, some convenience foods or all convenience foods)

| | |
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| | <ul style="list-style-type: none"> • Type of equipment (amount of automation or lack of) • Layout and design of kitchen and serving area • Production planning (work schedules) • Staffing and scheduling • Training and skill levels of employees • Motivation of employees • Size of facility (number of customers, volume of sales) • Schedule of serving periods <p><u>Food Service Staffing Guidelines</u></p> <p>The following table includes general guidelines developed by the InTeam may assist in determining labor needs.</p> <p>The following procedures are necessary to correctly utilize the guidelines:</p> <ol style="list-style-type: none"> 1. Determine the meal equivalents based on average numbers. Meal equivalents include breakfast and a la carte sales. For purposes of this table only, three breakfasts equate to one lunch and a la carte sales of \$3 equate to one lunch. 2. It is then necessary to determine if the preparation done could be classified as “Conventional” or “Convenience.” <ol style="list-style-type: none"> a) Conventional preparation is preparation of food from raw ingredients on premises (using some bakery breads and prepared pizza and washing dishes). b) Convenience preparation is using maximum amount of processed foods (for example, using all bakery breads, pre-fried chicken, and pre-portioned condiments, and using disposable dinnerware). 3. Finally, to determine number of labors hours justified, divide the number of meal equivalents (column 1) by the meals per labor hour (MPLH) recommended in column 2 or 3. |
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| NUMBER OF EQUIVALENTS (1) | MEALS PER LABOR HOUR (MPLH)/TOTAL HOURS | |
|---------------------------------|--|----------------------------|
| | CONVENTIONAL PREPARATION | CONVENIENCE PREPARATION |
| | MPLH (2) | MPLH (3) |
| Up to 100 | 8 | 9 |
| 101-150 | 9 | 10 |
| 151-200 | 10-11 | 12 |
| 201-250 | 12 | 14 |
| 251-300 | 13 | 15 |
| 301-400 | 14 | 16 |
| 401-500 | 14 | 18 |
| 501-600 | 15 | 18 |
| 601-700 | 16 | 19 |
| 701-800 | 17 | 20 |
| 801-900 | 18 | 21 |
| 900+ | 19+ | 22+ |

Adapted from: Pannell, School Foodservice Management (Van Nostrand Reinhold, 1990).

[Example]

Costing out a School Meal

Example Menu:

- Orange Juice: ½ cup
- Scrambled Eggs: 1 egg
- Cinnamon Toast: 1 slice
- Milk: ½ pint

For this example it will be presumed that 50 children will be served breakfast. It is then necessary to determine the **food costs**, **miscellaneous expenses**, and **labor costs** to serve 50 children breakfast. (*Shown below*)

| <i>Food Item</i> | | | <i>Miscellaneous</i> | | |
|------------------|-----------|---------|----------------------|----------|---------|
| Item | Quantity | Cost | Item | Quantity | Cost |
| Orange Juice | 1 ½ cans | \$ 1.95 | Straws | 50 | \$ 0.19 |
| Eggs | 50 | 3.75 | Napkins | 50 | 0.50 |
| Bread | 1 carton | 1.30 | Detergents | | 0.45 |
| Cinnamon | 2 loaves | 0.27 | Cups | 50 | 0.85 |
| Sugar | 1 cup | 0.02 | | | |
| Milk | 2 Tbsp | 5.90 | Indirect Cost | | 2.50 |
| | 50 ½ pint | | | | |
| | | Total: | | | Total: |
| | | \$13.19 | | | \$4.49 |

LABOR COSTS

| Employee Hours | Wage Per Hour | Total |
|----------------|----------------|----------------|
| 1 ½ hour | \$4.75 | \$7.13 |
| 1 hour | \$5.25 | \$5.25 |
| Total | \$12.38 | \$12.38 |

The total of **food costs**, **miscellaneous expenses** and **labor costs** must be calculated to determine the total cost of producing breakfast for 50 children. (*Shown below*)

TOTAL COST OF THE MEAL

| | |
|--------------|-----------------|
| Food | \$ 13.19 |
| Misc. | 4.49 |
| Labor | 12.38 |
| TOTAL | \$ 30.06 |

Finally it is necessary to determine the **per meal** cost which calculated by dividing the total cost by the number of meals produced. (*Shown below*)

| Total Cost | ÷ | Meals Produced | = | Per Meal Cost |
|------------|---|----------------|---|---------------|
| \$30.06 | | 50 | | \$0.60 |

Pricing of a School Meal

The following chart may be useful in explaining to employees and others how the National School Lunch Program is funded and why adults must be charged a higher price than students for the same sized portion.

Please note: In this example, the reimbursement rates and the per meal value of USDA Food assistance are for the 2001-2002 school year; the charge to an adult customer and paid student are statewide estimated averages.

| | Student Free | Student Reduced | Student Paid | Adult Paid |
|--------------------------|-----------------|--------------------|-----------------|---------------|
| CHARGE TO CUSTOMER | \$0 .00 | .40 | \$1.25 | \$1.60 |
| FEDERAL REIMBURSEMENT | 2.11 | \$1.71 | .22 | .00 |
| USDA FOOD ASSISTANCE | .155 | .155 | .155 | .00 |
| TOTAL REVENUE | \$2.27 | \$2.27 | \$1.63 | \$1.60 |

Federal reimbursement and USDA assistance for USDA Foods are received only for student meals, and not for adult meals. Therefore, the charge to adults must be high enough to cover the complete cost of the meal.

Comparison of Staffing to Guidelines Worksheet

Using the formula below:

Step A – determine the meal equivalents (MEQ)

Step B – divide total MEQ by labor hours currently assigned to school foodservices (including manager and cashier hours). This will provide the existing productivity rate of staff.

Step C – determine the number of hours the school justifies using staffing guidelines on the previous page.

The following school serves:

- | | |
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| <ul style="list-style-type: none"> ▪ 525 meals during breakfast ▪ 1200 meals during lunch ▪ \$300 in a la carte sales during lunch. | <ul style="list-style-type: none"> ▪ The school food service utilizes primarily convenience preparation. ▪ The school currently allocates 45 labor hours per day to food service. |
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A. DETERMINING MEAL EQUIVALENTS (MEQ):

| | | | | |
|--------------------------------------|----------|---|-----------|-------|
| Average Number Breakfast ÷ 3 | 525 ÷ 3 | = | 175 | |
| | | | | MEQ |
| | | | | (a.1) |
| Average Number Lunches | 1200 ÷ 3 | = | 400 | |
| | | | | MEQ |
| | | | | (a.2) |
| Average \$'s in A la Carte Sales ÷ 3 | 300 ÷ 3 | = | 100 | |
| | | | | MEQ |
| | | | | (a.3) |
| | | | | |
| | | | TOTAL MEQ | 675 |
| | | | (a.4) | |

B. DETERMINE YOUR PRODUCTIVITY RATE:

| | | | | |
|------------|-------------|-----------------|---|----------------|
| <u>675</u> | Total MEQ ÷ | <u>45</u> | = | <u>15</u> MPLH |
| (b.1) | | No. Labor Hours | | (b.3) |
| | | (b.2) | | |

C. TO DETERMINE HOW YOU SHOULD BE STAFFED ACCORDING TO GUIDELINES:

| | | | | |
|------------|-------------|----------------------|---|-----------------|
| <u>675</u> | Total MEQ ÷ | <u>19</u> | = | <u>35.5</u> |
| (c.1) | | MPLH from Guidelines | | No. Labor Hours |
| | | | | (c.3) |

Conclusion: The worksheet indicates that the sample school's productivity rate is 4 meals an hour less than the InTeam guidelines suggest. Therefore the school is utilizing 9.5 labor hours more than necessary.

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| | <p style="text-align: center;"><u>Food Sales Tax</u></p> <p>According to the Arizona Revised Statutes (ARS):</p> <p>There is no state sales tax on the sale of food, drink, condiment and accessory tangible personal property to a school district if such articles and accessory tangible personal property are to be prepared and served to persons for consumption on the premises of the public school during school hours.</p> <p>There is no state sales tax on the sale of food to a private or parochial school offering an educational program for grade twelve or under.</p> <p>There is no state sales tax on the sale of food to an organization which is tax exempt under 501(c)(3) of the Internal Revenue Code.</p> <p>An incorporated city or town may impose a tax on sales of food except for food or other items purchased with USDA SNAP or food instruments issued under the Special Supplemental Food Program for Women, Infants and Children (WIC).</p> <p>For more specific information, contact the Arizona Department of Revenue, Taxpayer Information Assistance, (602) 542-2076.</p> |
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| | <p style="text-align: center;"><u>Cash Management and Accounts</u></p> <p>Cash collection often occurs simultaneously with meal counting. Collection procedures should facilitate rather than inhibit the meal count system. Also, overt identification of free and reduced-priced students must be prevented during issuing and collecting the medium of exchange.</p> <p>Payment for meals may be done in any combination of three ways:</p> <ul style="list-style-type: none"> • prepayment • cash at the point of service • post-billing system, i.e., charges (not recommended). <p>Cash only lines, where reduced-price and paid students pay and free students do not is almost always unacceptable because it overtly identifies the free student. An exception would be if a la carte items are also sold on the cash only line, then cash payments from reduced-price and paid students could be accepted on the serving line.</p> <p>The same payment options must be available to all students regardless of eligibility category. For instance, if students eligible for paid meals have the option to pay on a weekly basis, then students eligible for reduced-price meals must also have this option.</p> |
| RS 42- ARS 1310.01 A.19 | <p><u>Cash Controls</u></p> <p>Monies should be safeguarded at all times and amounts properly recorded in the accounting records. Procedures must be established for adequate cash control. Duties should be separated among the employees for the following:</p> <ul style="list-style-type: none"> • Cash collections • Bank deposits • Cash disbursements • Reconciliation of bank/county treasurer statements. |
| ARS 42-1382 C.1 | <p>Custodians of the change fund must be bonded for an amount equal to the fund amount. Blank checks must not be given to employees.</p> |
| ARS 42-1382 C.4 ARS 42-1382 D | <p><u>Cash Reconciliation</u></p> <p>All cash must be verified prior to the meal service. At the end of the meal service period, the actual cash collected is counted and recorded. The cash count should be taken prior to reconciliation with the meal count, recorded and signed daily. A second person must verify the cash count and also sign. Cash collected by different individuals should not be merged until individual counts are taken, verified and recorded.</p> <p>The amount of potential income should be calculated daily. This can be done by using the "Food Service Cash Reconciliation" sheet. Actual cash should be compared to potential cash. Record all differences (overages and shortages).</p> |

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| | <p>Actual and potential cash should not be forced to balance and meal counts are never adjusted to balance the cash collected.</p> <p>All cash should be deposited into the food service or general account daily. The "Cash Receipts Summary" can be used to record daily cash receipts and deposits. Total daily sales should be traceable by source documents to a bank deposit.</p> <p><u>Clearing Account</u> Sponsors with separate food service accounts, such as public schools, should open a Food Service bank account. The only disbursements from the account are transmittals to the county treasurer. The transmittals should be made weekly, if practical, or at least monthly. The checks for this account must be serially pre-numbered for full accountability. The bank must be instructed to pay only clearing account checks made payable to the county treasurer. Bank accounts should be reconciled monthly by an employee who has no cash recording responsibilities.</p> <p>Public schools have the option of setting up the following accounts:</p> <p><u>Revolving Account</u> A revolving account may be established for use in food services operation. The revolving account for public schools may not exceed \$500. A warrant should be drawn from the Food Services Fund on deposit with the county treasurer. This account may be used for such items as payment of freight on USDA Foods, purchase of food required in emergencies, temporary employment not to exceed eight (8) hours for any person and other minor disbursements. A revolving account should be used for expenditures only.</p> <p>At all times, the cash in the bank plus the total of paid invoices, must equal the authorized revolving account amount. Custodians of the Revolving Fund must be bonded for an amount equal to twice the fund amount.</p> <p>Revolving account monies may be withdrawn only by a check signed by two bonded employees appointed by the Governing Board of the district. These employees should have no cash recording responsibilities.</p> <p>The Revolving Fund is a continuous fund and is terminated only by Governing Board decision, dissolution or reorganization of the school district.</p> <p><u>Change Fund Account</u> A change fund may be established for the sale of meals. Public schools should draw a warrant from the Food Services Fund on deposit with the county treasurer. Change funds cannot be established from food service operations cash revenues. Expenditures from change funds are not permitted.</p> |
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| | <p>The following measures should be incorporated into procedures for controlling change funds:</p> <ol style="list-style-type: none"> 1. At the beginning of daily activities, the change fund is counted by the recipients of change fund (e.g., cashiers and ticket sellers) and a change fund log for cash received is signed to verify receipt of the change fund. 2. At the end of the day, cash is counted, logged and returned for safekeeping in the district or school safe, and the change fund log is updated. 3. At the end of the school year, deposit the change fund into the food service account which ensures its safety over the summer holidays and enables the fund to earn interest. <p>Custodians of the Change Fund Account must be bonded for an amount equal to the fund.</p> <p>For more information, refer to the <i>Uniform System of Financial Records (USFR)</i>, Section VI, Food Services.</p> <p>Cash/Ticket Management Policies</p> <p><u>Ticket Sales</u></p> <p>A log of breakfast and lunch pre-numbered tickets should be maintained for each ticket type: full-price, reduced-price and paid.</p> <p>Tickets are to be valued as cash and must be safeguarded in the same manner as cash. Each ticket seller should sign the ticket log when receiving tickets. The Daily Cash Report should indicate the total tickets sold by type, the number of the first ticket sold that day and the number of the first ticket available for the next day.</p> <p><u>Ticket Refunds/Credit Account</u></p> <p>Refunds for unused tickets or credit accounts may be made from either the Food Services Fund revolving account or daily food services cash receipts. If the revolving account is used to make refunds a petty cash account may be established in an amount equal to the total estimated refund amount based on previous years' refunds. Pre-numbered refund slips must support refunds. The total refund amounts as recorded on the pre-numbered refund slips plus remaining cash must equal the petty cash amount. Remaining cash must be returned to the revolving account.</p> <p>When ticket or credit account refunds are made from daily cash receipts, the following procedures must be followed:</p> <ul style="list-style-type: none"> • A pre-numbered refund slip must be completed in duplicate; • The slip is signed by student/parent, the cashier and the food services manager, and a copy is given to the student/parent; • The amount of the unused ticket refunds should be recorded on the |
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daily cash report and the tickets and original refund slip attached to the report.

Lost and Stolen Tickets

Sponsors may establish their own ticket replacement policy. Ticket refers to any and all forms of exchange used in the schools' or institutions' food service collection systems, including daily, weekly or monthly paper tickets, cards, coins or tokens. It is recommended that the meal or ticket replacement policy for missing free and reduced-price tickets be extended to the loss of full price tickets. If such a uniform policy does not cover the full price students, schools must exercise care to preclude the overt identification of needy students when reissuing free or reduced-price meal tickets or making arrangements to provide meals to students whose tickets are missing. Parents and students should be advised in writing of the school's policy regarding missing tickets and of the students' corresponding responsibility for their tickets. Such notice can be provided at the time household applications are distributed to households or upon approval for free or reduced-price benefits.

The following are best practices for a system which limits the number of tickets reissued:

1. A minimum of three ticket replacements, or special meal arrangements resulting from three lost or stolen tickets, can be allowed for each student within each school year.
2. The school maintains a list of students who have reported missing original ticket(s) in the current year and the number of occurrences for each student. Prior to denying a meal to any student without a ticket, the list should always be reviewed to determine if the student has already had at least three ticket replacements or special arrangements for lost or stolen tickets within the school year.
3. At least one advance written warning can be given to the student and the parent(s) prior to refusal to allow additional meals or ticket replacements. The written warning must include an explanation that the student has repeatedly requested replacement tickets and that each subsequent time the student fails to have a ticket, they will be expected to either bring lunch or pay full price for lunch.
4. Meals must always be provided to pre-primary and young primary students or for any students with disabilities that may be unable to take full responsibility for a meal ticket.
5. Schools that use a computer card solely for meals can allow three replacements before charging free and reduced-priced eligible students for a card. An exception is made for schools with a multi-purpose card such as
an identification card, activity card, library card and meal card.

Using the above criteria, schools and institutions may develop the most administratively feasible system to handle missing tickets as determined by

individual school/institution circumstances and frequency of ticket issuance. In cases of repeated ticket loss or misuse, administrators may wish to contact an adult household member to arrange a meeting to discuss the problem.

Cash for Reduced-Price Meals in Serving Line

When accepting cash in line, a procedure must be established which does not overtly identify the eligible reduced-price student to other students.

Cash may only be accepted for reduced-price meals in school lunch serving lines if:

1. The cash amount rung up on a cash register is not visible to students.
2. Cash is accepted for sale of other food items in addition to the reduced-price meal payment.

Bad Debts

Student charges which are determined to be uncollectible should be recorded as a **bad debt expense**. **The bad debts are not included as program expenditures.**

Charges for Meals

The decision to allow or disallow student charges for meals rests with the sponsor. It is recommended that sponsors send the charge policy to households at the beginning of the school year.

For public schools, reference for charging meals appears in the *Uniform System of Financial Records (USFR)*. This states:

Charge sales should be discouraged, since they require subsequent collection procedures. Nevertheless, students who do not have cash to pay for their meals may be permitted to charge them. Adults may not charge their meals. The food service manager is responsible for directing collection efforts. Overdue balances should be collected promptly. A limit should be set on the number of days charges will be accepted.

School Health and Nutrition Programs and USDA also discourage charge sales. If student charges are allowed, each school must maintain a log of these charges. The charged meal is counted on the day it is eaten, NOT on the day it is paid. Students should be billed regularly for meals charged and excessive balances should not be allowed. **ADULTS MAY NOT CHARGE THEIR MEALS.**

[Example]

Daily Cash Count

School _____ Date _____

Cashier _____ Report # _____

COIN:

Pennies \$ _____

Nickels \$ _____

Dimes \$ _____

Quarters \$ _____

Total Change \$ _____

DOLLARS:

Ones \$ _____

Fives \$ _____

Tens \$ _____

Twenties \$ _____

Total Dollars \$ _____

CHECKS:

Check Number Amount

_____ \$ _____

_____ \$ _____

_____ \$ _____

_____ \$ _____

_____ \$ _____

_____ \$ _____

_____ \$ _____

_____ \$ _____

_____ \$ _____

_____ \$ _____

Total Checks \$ _____

TOTAL \$ _____

LESS CHANGE FUNDS \$(_____)

MOUNT DEPOSITED \$ _____

OVER/(SHORT) \$ _____

Prepared by: _____

Signature and Date

Checked by: _____

Signature and Date

[Example]

Food Service Cash Reconciliation

DATE _____

| | COUNTS | PRICE | POTENTIAL CASH |
|--|--------|-------|----------------|
|--|--------|-------|----------------|

A. Potential Cash

Reduced-price Meals

| | | | | |
|----------------------|-------|---|-------|----------------|
| Paid for Today | _____ | X | _____ | _____ |
| Prepayments Received | _____ | X | _____ | _____ |
| Charges Paid Today | _____ | X | _____ | _____ |
| Subtotal | | | | \$_____ |

Paid Meals

| | | | | |
|----------------------|-------|---|-------|----------------|
| Paid for Today | _____ | X | _____ | _____ |
| Prepayments Received | _____ | X | _____ | _____ |
| Charges Paid Today | _____ | X | _____ | _____ |
| Subtotal | | | | \$_____ |

Adult Meals

| | | | | |
|----------------------|-------|---|-------|----------------|
| Paid for Today | _____ | X | _____ | _____ |
| Prepayments Received | _____ | X | _____ | _____ |
| Subtotal | | | | \$_____ |

Other (A La Carte)

| | | | | |
|--------------------|-------|---|-------|----------------|
| a. _____ | _____ | X | _____ | _____ |
| b. _____ | _____ | X | _____ | _____ |
| c. _____ | _____ | X | _____ | _____ |
| d. _____ | _____ | X | _____ | _____ |
| e. Subtotal | | | | \$_____ |

| | | | | |
|-------------------------|--|--|--|----------------|
| A. Total Potential Cash | | | | \$_____ |
|-------------------------|--|--|--|----------------|

| | | | | |
|----------------|--|--|--|----------------|
| B. Actual Cash | | | | \$_____ |
|----------------|--|--|--|----------------|

| | | | | |
|---------------|--|--|--|----------------|
| C. Difference | | | | \$_____ |
|---------------|--|--|--|----------------|

Prepared by _____ Checked by _____

| | |
|----------------|--|
| 7 CFR 210.7(b) | <p><u>Reimbursement Rates</u></p> <p>The School Health and Nutrition Services Program posts reimbursement rates for the National School Lunch Program and School Breakfast Program as soon as possible after July 1 on its website at www.ade.az.gov/health-safety/cnp/nslp. These reimbursement rates are in effect from July 1 through June 30.</p> <p><u>School Lunch Reimbursement Rates</u></p> <p>There are two different rates for the school lunch program, a high and low rate. When household applications are processed, CNPWeb will determine whether a sponsor is eligible for the high or low rate.</p> <p>To be eligible for the higher rate, 60 percent or more of a sponsor's total lunches served in the second preceding year (two years earlier) must have been served free or at a reduced-price. The eligibility for the high or low rate is determined by CNPWeb based on claims submitted during the appropriate year.</p> <p><u>School Breakfast Reimbursement Rates</u></p> <p>There are two different rates for the school breakfast program, a regular and severe need rate. When household applications are processed, CNPWeb will determine whether a sponsor is eligible for the high or low rate.</p> <p>To be eligible for the severe need rate, 40 percent or more of a school's total lunches served in the second preceding school year (two years earlier) must have been served free or at a reduced-price. More details can be found on <i>Severe Need Breakfast Eligibility</i> in Section 9 of the guidance manual.</p> |
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| | <p style="text-align: center;"><u>Reimbursement Claims</u></p> <p><u>Claims on CNPWeb</u> Claims are completed on CNPWeb and cannot be created until the first day of the month following the month being claimed.</p> <p>7 CFR 210.8 (c) The following information must be included to process a claim on CNPWeb:</p> <ul style="list-style-type: none"> • Number of days served • Number of free meals served • Number of reduced-price meals served • Number of paid meals served • Number of participants approved for free meals • Number of participants approved for reduced-price meals • Number of participants approved for paid meals • Number of participants enrolled |
| 7 CFR 210.8 (b) (1) | <p><u>Due Date</u> Reimbursement claims must be completed on CNPWeb by the tenth (10th) of the month following the claim month. If the 10th of the month falls on a Saturday, Sunday or a state holiday, the claims must be received on the following first working day.</p> <p>Claims completed in CNPWeb after the 10th of the month will be processed with the following months' claims. All claims completed in CNPWeb within 60 calendar days following the claim month will be processed. A claim completed in CNPWeb after 60 days <u>may</u> be granted a one-time exception, which is in effect for thirty-six (36) months. No other exceptions may be granted within the thirty-six (36) month period.</p> |
| 7 CFR 210.8 (c) (1) | <p><u>Combined Claims</u> At the beginning of the school term, the first two claims may be combined if not more than 10 days of program operation occurred in the first month. At the end of the school term, May and June claims may be combined if not more than 10 days of program operation occurred in June.</p> <p>June and July claims may not be combined due to the reimbursement rate change in July.</p> <p>The end of the federal fiscal year claim (September) cannot be combined with the beginning of the next federal fiscal year claim (October).</p> |
| 7 CFR 210.8 (b)(1) | <p><u>Revised Claims</u> A claim that has not been submitted for payment may be edited in CNPWeb at any time. Once a claim has been submitted for payment any changes must be completed by creating a revised claim. Revised claims are created by selecting the "create new revision" option in CNPWeb. A revised claim may be submitted within 60 calendar days following the claiming month. No upward revision will be made after the 60-day deadline without a one-time exception. No exceptions will be granted if another exception (original or revised) was granted within a thirty-six month period. A downward revision may be made at</p> |

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| <p>7 CFR 210.8 (b)(2)(i)</p> | <p>any time.</p> <p>The following information must be included to process a revised claim in CNPWeb:</p> <ul style="list-style-type: none"> • Number of days served • Number of free meals served • Number of reduced-price meals served • Number of paid meals served • Number of participants approved for free meals • Number of participants approved for reduced-price meals • Number of participants approved for paid meals • Number of participants enrolled <p><u>Checking the Reimbursement Claim</u></p> <p>When a completed claim is submitted in CNPWeb the household application automatically performs an edit check to determine if any errors were made. If any errors are found CNPWeb will indicate which fields need to be edited. CNPWeb will not submit claims for reimbursement until all errors have been corrected.</p> <p><u>Attendance Factor</u></p> <p>The School Health and Nutrition Programs office has established the following attendance factors:</p> <ol style="list-style-type: none"> 1. Public Schools use an attendance factor that is based on information from the 40th Day Report. 2. State Schools, Correctional Institutions, and Residential Child Care Institutions use a 99% attendance factor. 3. If the established attendance factor is incorrect fill out the Attendance Factor Calculation Sheet and fax it to the Health & Nutrition Services Unit, Financial Services. <p>If the meal count is higher than the calculation check the following:</p> <ol style="list-style-type: none"> 1. The accuracy of the monthly meal counts. 2. The accuracy of the number approved for reduced or free. 3. Check to see if there was high attendance during the month. If this is the case, contact Financial Services and send an explanation stating the reason for the high attendance. <p><u>Reimbursement Calculation</u></p> <p>CNPWeb automatically calculates the reimbursement totals for each meal claimed as well as the total reimbursement for all meals. To compare CNPWeb's calculated totals with the actual reimbursement received view the Site Meal Service Summary in the Claims section of CNPWeb. Notify Health & Nutrition Services Unit, Financial Services if a discrepancy is found.</p> |
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[Example]

Attendance Factor Calculation Sheet

Complete the following calculation using data from the month of October. If October does not accurately represent the population of your district, choose an appropriate month. Submit completed form to:

Arizona Department of Education
Child Nutrition Programs
Attention: Financial Services
1535 West Jefferson Street, Bin #7
Phoenix, Arizona 85007

Or

FAX: (602) 542-3818 or (602) 542-1531

If you have questions regarding this form, please contact Health & Nutrition Services Unit, Financial and Administrative Services at (602) 542-8700.

CTDS # _____ District Name _____

Data from the month of _____

Attendance Factor = $\frac{\text{Average Daily Attendance}}{\text{Average Daily Enrollment}} \left(\frac{\text{_____}}{\text{_____}} \right) = \text{_____} \times 100 \text{ _____\%}$

Enrollment is the highest number of students registered in the school for the month of October. **Average daily enrollment** is calculated by totaling the enrollment for each day in October and dividing this number by the total number of operating days.

Attendance is the total number of days in October that each enrolled student attended school. **Average daily attendance** is calculated by totaling the attendance for each day in the month of October and dividing by the number of operating days in October.

Example:

October Enrollment: 250 Number of Operating Days in October: 22

Average Daily Attendance: $\frac{5290}{22}$ (sum of each day's total attendance) = 240

Average Daily Enrollment: $\frac{5434}{22}$ (sum of each day's enrollment) = 247

Attendance Factor = $\frac{\text{Average Daily Attendance}}{\text{Average Daily Enrollment}} = \frac{240}{247} = .972 \times 100 = 97.2 \%$

Financial Reporting
Food Service Annual Financial Report

Food Service AFR Requirements

Reporting requirements differ among school districts, charter schools, private schools, residential schools, Bureau of Indian Affairs (BIA) schools, state schools and correctional institutions.

Arizona Revised Statutes (A.R.S.) requires school districts and charter schools to prepare and submit an Annual Financial Report (AFR), in electronic format, by October 15. For details and instructions visit <https://www.ade.az.gov/schoolfinance>

All other agencies must submit their Food Service AFR, using CNP Annual Financial Report household application by October 1. For instructions see Annual Financial Report manual at <https://www.ade.az.gov/health-safety/cnp/financial>

Reimbursement claims may be withheld if the Food Service AFR is not received by the due date.

Revenues and Expenditures

All Food Service revenues and expenditures must be tracked and reported annually.

Value of USDA Foods

Sponsors are responsible for tracking the value of USDA Foods received. The Food Distribution Program provides online report showing the value of USDA Foods each school received. Report separately the value of all USDA Foods and freight charges, including those received for the Summer Food Program, on the Food Service AFR. DO NOT include charges for processing or storing of USDA Foods in value of USDA Foods. Note that the Summer Food Program crosses school years. It may be necessary to report the USDA Foods received in July and August of the previous year and also those received in June of the present year.

Meals Served

Enter the actual number of meals served (include Summer Food and Child and Adult Care Food Program meals) during the period from July 1 through June 30 for the following:

CHILDREN'S Reimbursable BREAKFAST, LUNCH and SNACK
ADULT WORKER'S BREAKFAST, LUNCH and SNACK (food service employees, cafeteria monitors, or maintenance personnel who receive free meals).

OTHER ADULT'S BREAKFAST, LUNCH and SNACK (teachers, parents, & other school employees not working in the cafeteria and who do not

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| <p>Arizona Revised Statutes (A.R.S.) §15-904 for School Districts</p> <p>Arizona Revised Statutes (A.R.S.) §§15-183 (E) (6) and 15-904 for Charter Schools</p> | <p>receive their meals free).</p> <p>Dinners must be tracked and reported on the Food Service AFR by juvenile correctional institutions, private schools, residential childcare facilities and boarding schools. Dinners are not reimbursable; however, they are used in calculating per meal costs.</p> <p><u>Snacks/A La Carte/Catering</u></p> <p>Public and non-public schools report the total of all non-reimbursable snacks, a la carte and catering revenue divided by the reporting year's reimbursement rate for a free lunch. If no revenue is collected, report the actual number of snacks served. BIA schools and residential childcare institutions report the actual number of snacks served.</p> <p>Use of the Food Service AFR</p> <p>The data that is submitted on the Food Service AFR is used by the Health and Nutrition office for the following.</p> <p><u>State Match</u></p> <p>Each year the Arizona Department of Education is required to report and match the amount of State funds expended by school districts and charter schools for the operation of their food service program. The Code of Federal Regulations (CFR) states, "For each school year, the amount of State revenues appropriated or used specifically by the State for program purposes shall not be less than 30 percent of the funds received by such State under Section 4 of the National School Lunch Act." Therefore, the Arizona Department of Education is requiring each district/charter school that participates in the National School Lunch Program to budget and expend 30% of the amount of Section 4, General Assistance funds reimbursed to the district/charter schools during prior school year. The funds must be State funds budgeted from the Maintenance & Operation, Unrestricted Capital Outlay funds, and Soft Capital Allocation Funds expended for the operation of the food service program. The expended funds must be reported on the Food Services AFR. The budget amount of revenue is calculated by using the previous school year's total number of free, reduced-price, and paid lunches multiplied by that year's reimbursement for paid lunch. Thirty percent of this amount is the amount that must be included on the next year's budget and the Food Service AFR. The Arizona Department of Education will compare the expended amount reported on the Annual Financial with calculated required amount.</p> <ul style="list-style-type: none"> • EXAMPLE. In April 2010, district completing 2011 budget will calculate state match amount based on the previous school year 2009. Matched amount will be reported on 2011 Food Service AFR. Any district/school that fails to comply with the state match requirement will jeopardize future reimbursements to the Food Service Program. |
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| <p>7 CFR Part 210.17 (a)</p> | <p><u>Net Cash Resources</u> United States Department of Agriculture (USDA) regulations state that net cash resources shall not exceed three months average expenditures for the non-profit school food service. The Food Service AFR is used to determine excess cash by subtracting expenditures from revenues and then subtracting three times the average monthly expenditures from that total (See Net Cash Resources Worksheet).</p> <p><u>Monitoring of Net Cash Resources</u> The Health and Nutrition office recommends that sponsors track their net cash resources throughout the year to ensure that they do not exceed three months average expenditures for their non-profit food service. Sponsors are notified in writing if they have an excess cash balance at the end of a school year. The sponsor is then required to submit a corrective action plan that must be approved by the Health and Nutrition office. After submission of the corrective action plan, a net cash resources worksheet must be submitted by the 10th of each month until the excess cash is eliminated.</p> <p><u>Computing Excess Cash</u> The average monthly expenditure for one month is computed by dividing the total food service expenditures (Fund 510 for public schools) by the number of operating months. The total is then multiplied by three to determine the average expenditures for a three-month period. This total is subtracted from the ending food service fund balance to determine amount of excess cash.</p> <p><u>Eliminating Excess Cash</u> Excess cash can be used for nutrition education activities such as curriculum development, purchase of nutrition education materials and supplies, or in hiring a nutrition consultant to assist in planning an education project. Utilizing excess cash to support computerized nutritional analysis or improving food quality may emphasize nutrition integrity. Reducing meal prices or purchasing new equipment for the food service area may also be considered. FOOD SERVICE FUNDS CANNOT BE USED TO PURCHASE LAND OR TO ERECT BUILDINGS.</p> <p><u>Non Compliance</u> In the event that net cash resources still exceed three months' average reimbursement by the end of school year, the Arizona Department of Education may require the school food authority to reduce the price children are charged for lunches, improve food quality or take other action designed to improve the non-profit school food service. In the absence of any such action, the Code of Federal Regulations directs the Arizona Department of Education [to] "make adjustments in the rate of reimbursement under the Program."</p> |
| <p>7 CFR Part 210.14 (b)</p> | <p><u>Non Compliance</u> In the event that net cash resources still exceed three months' average reimbursement by the end of school year, the Arizona Department of Education may require the school food authority to reduce the price children are charged for lunches, improve food quality or take other action designed to improve the non-profit school food service. In the absence of any such action, the Code of Federal Regulations directs the Arizona Department of Education [to] "make adjustments in the rate of reimbursement under the Program."</p> |

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| <p>7 CFR Part 210.19 (a) (2)</p> | <p><u>Indirect Costs</u> Indirect costs are those that have been incurred for general administration. These costs benefit more than one program and cannot be readily and specifically identified with a particular project without effort disproportionate to the results achieved. Indirect costs generally include costs for custodians and maintenance personnel, fuel for heat, water, electricity, gas, telephone, custodial supplies, pest control, waste removal, other supplies and expenses for operation and maintenance of the plant (except replacement of equipment), business support services, personnel administration, data processing, insurance, general administrative supplies and audits.</p> <p><u>Direct Costs</u> Direct costs are those that can be identified specifically with a single cost objective. Costs directly associated with the food service operation provided a separate documentation for audit purposes is available. If there is separate billing to the food service program then the associated costs are direct costs. (e.g. separate electric meter for the kitchen with a separate electric bill paid from the food service account, separate billing to the food service account for garbage removal and/or pest control, separate billing to the food service account for the food service audit, etc.)</p> <p><u>Indirect Cost Rate</u> An indirect cost rate (ICR) is a simplified mean for distributing a fair share of administrative costs to federal programs. The indirect cost rate is the ratio of the indirect costs to a direct cost base. Indirect cost rate is calculated by the Arizona Department of Education if requested on the Annual Financial Report.</p> <p><u>Restricted ICR</u> Restricted rates apply to grants that are under federal programs with supplement but not supplant requirements. This means that the funds are intended to supplement, but in no way replace, state and local funding. Restricted ICR does not include plant maintenance expenditures. Currently the maximum restricted ICR is 8 percent.</p> <p><u>Unrestricted ICR</u> Food Service uses the unrestricted ICR. Unrestricted rates apply to grants not subject to the supplement but not supplant legislative restriction. Unlike the restricted rate, indirect cost expenditures for operations and maintenance of plant are classified as indirect costs when calculating an unrestricted rate. All other costs are classified the same as with the restricted rate calculations. Currently the maximum unrestricted ICR is 25 percent.</p> |
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| <p>The Office of Management and Budget (OMB) Circular A-87 (Revised May 10, 2004)</p> | <p><u>Indirect Cost In Food Service</u></p> <p>District business office may recover cost of services rendered to school food Service. Typically administrative overhead costs that benefit multiple programs or functions.</p> <ul style="list-style-type: none"> • Examples may include the costs of human resources, accounting, payroll, purchasing, facilities management, utilities, etc. • The district thus has two options for recovering its costs: (1) relying on its own appropriations, or billing the program receiving federal reimbursements. <p>Indirect costs may be allocated and charged to a federal program along with direct costs when an ICR has been approved by the Arizona Department of Education.</p> <p>Computation of Indirect Cost</p> <p>Step (1) Request ICR from the Arizona Department of Education. Step (2) Calculate Indirect Cost Base (ICB) amount. Step (3) Calculate Allowable Indirect Cost (AIC). Step (4) Compare the net expenditures to the federal reimbursement. Select the lesser of net expenditures and reimbursement and multiply by the approved unrestricted ICR.</p> <p>Allowable Indirect Costs (AIC) = Indirect Cost Base (ICB) x Indirect Cost Rate (ICR) (See Indirect Cost Calculation).</p> <p>THE INDIRECT COST FUND (570)</p> <p>The Indirect Costs Fund (570) accounts for monies transferred from the Food Service Fund (510) for the payment of administrative costs incurred. In those funds, expenditure object code 6910—Indirect Costs should be used when transferring these monies. Revenue object code 5200—Interfund Transfers-In should be used to record the monies transferred into the Indirect Costs Fund. The amount transferred may not exceed the amount calculated using the ICR established by the Arizona Department of Education. Expenditures from the Indirect Costs Fund should be for maintenance and operation purposes. Please note that object code 6910—Indirect Costs should be included as an interfund transfers-out for reporting purposes on the district's Food Service AFR.</p> |
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[Example]

NET CASH RESOURCES WORKSHEET

CTD# _____ SPONSOR NAME _____

MONTH _____ YEAR _____

This form is to be used by schools which operate with a separate food service account and have an ending balance in excess of their average three (3) months' expenditures. Complete this form at the end of each month when required by the Health and Nutrition Programs office.

Net Cash Resources means all monies that are available to, or have accrued to a school's non-profit food service account at any time during the specified month, less accounts payable. Indirect costs are included in determining the average monthly expenditures.

CASH ON HAND

a. Change Funds \$ _____
(Funds held by cashier(s) to make change)

b. Deposits in Transit \$ _____
(Funds sent to the bank or County Treasurer,
but not yet recorded)

CASH DEPOSITED

c. Fund Balance at Commercial Bank \$ _____

d. Food Service Fund (Public Schools 510) Balance \$ _____
(Fund Balance at the County Treasurer)

TOTAL CASH AVAILABLE \$ _____
(Total a - d)

**LESS: Accounts Payable (Unpaid Invoices,
Wages & Indirect Cost if any)** \$ _____

CASH AVAILABLE AFTER ACCOUNTS PAYABLE \$ _____
Cash Available cannot be higher
than the Average Three Months
Expenditures below.

AVERAGE THREE MONTHS' EXPENDITURES \$ _____

Total food service expenditures year-to-date, divided by the number of operating months to date, times three.

Signature and Title of Authorized Representative

Date

Source of Indirect Cost Base

| | FOOD SERVICE FUND 510 | | MAINTENANCE & OPERATION FUND 001 Function 3100 only (4) | CAPITAL PURCHASES FUNDS 610 & 625 (3) (4) |
|---|--------------------------|------------|--|--|
| | BUDGET | ACTUAL | ACTUAL | ACTUAL |
| EXPENDITURES | | | | |
| ➡ 6150 Classified Salaries | | 8,315,718 | 488,902 | 0 |
| ➡ 6200 Employee Benefits | | 1,910,814 | 71,916 | 0 |
| ➡ 6400 Purchased Property Services | | 105,510 | 0 | 0 |
| ➡ 6570 Food Service Management | | 0 | 0 | |
| ➡ 6592 Services Purchased from Other AZ Districts | | 0 | 0 | |
| ➡ 6610 General Supplies (Nonfood Items) | | 1,129,452 | 34,662 | 0 |
| ➡ 6620 Energy | | 0 | 0 | |
| 6631 USDA Commodities (Excluding Freight) | | 277,103 | | |
| ➡ 6631 USDA Commodities (Freight Only) | | 14,394 | | |
| 6632 Other Food | | 10,595,387 | | |
| 6700 Property (Excluding 6731-37) | | | | 0 |
| 6731-37 Furniture & Equipment, Vehicles, & Tech. | | 680,053 | | 145,304 |
| ➡ Other Expenditures 6300 6325 6532 6580 6810 | | 167,215 | 2,884 | 0 |
| TOTAL EXPENDITURES (lines 10-22) | 26,846,000 | 23,195,646 | 598,364 | 145,304 |
| 6910 Indirect Costs | | 1,314,366 | | |
| 6930 Interfund Transfers-Out | | 0 | | |
| TOTAL EXPENDITURES & OTHER USES | | | | |
| (lines 23-25) | | 24,510,012 | | |
| ENDING FUND BALANCE (line 9 minus line 26) (1) | | 6,932,822 | | |

INDIRECT COST CALCULATION

Formula for Indirect Cost

- 1 Total the expenditures for Food Service Fund
- 2 Deduct value of commodities
- 3 Deduct expenditures for food
- 4 Deduct furniture and equipment expenditures
- 5 Compare the net expenditures to the federal reimbursement
- 6 Select the lesser of net expenditures and reimbursement
- 7 Multiply the above by the approved unrestricted indirect cost rate

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| <p>7 CFR Part 3016 7 CFR Part 3019</p> <p>Food, Conservation, and Energy Act of 2008 2-2110-246), also known as the Farm Bill</p> | <p style="text-align: center;"><u>Procurement</u></p> <p><u>Procurement Requirements</u> All Local Education Authorities (LEA) receiving Child Nutrition Program (CNP) reimbursement must follow federal procurement standards as prescribed in 7 CFR Part 3016 and 7 CFR Part 3019 unless state or local laws are more restrictive. Procurement means the process of obtaining goods and/or services in accordance with applicable rules and regulations.</p> <p><u>Open and Free Procurement</u> The underlying foundation of all procurement, without regard to dollar competition value, is that, regardless of the method used, the procurement must be conducted in a manner that provides maximum open and free competition. Procurement procedures must not restrict or eliminate competition. Examples of such restrictions include, but are not limited to:</p> <ol style="list-style-type: none"> 1. Unreasonable Requirements: Placing unreasonable requirements on companies in order to qualify to do business, e.g., requiring unnecessary experience or bonding requirements, etc. 2. Noncompetitive Practices: Encouraging or fostering noncompetitive practices, e.g., collusion between firms. 3. Conflicts of Interest: Conflicts of interest can occur when the individual(s) responsible for determining bid/proposal responsiveness can be overruled by other individuals within the organization or if the individual responsible for determining responsiveness (or any member of his or her family) has any personal or corporate ties or any financial interest in any of the offering firms. 4. Inappropriate Practices: Using information prepared by a Food Service Management Company (FSMC) in the Invitation for Bid or Request for Proposal; entering into negotiations with a firm prior to evaluating proposals; negotiating with any bidder at any time when the competitive sealed bid procurement method is used; and providing only certain firms with the results of pre-bid meetings or releasing the contents of a bid proposal to other bidders/proposal offerors. 5. Insufficient Time: Not allowing bidders/offerors sufficient submission time when advertising/soliciting the IFB/RFP. 6. Geographic Preferences: Allowing geographic preference to occur without following Federal regulations. Even if there are State or local laws for geographic preferences, in-state or local geographic preferences are prohibited in Federal procurements <u>except</u> where applicable <u>Federal laws</u> expressly permit their use. The recently enacted Food, Conservation, and Energy Act of 2008 (P.L.FSMC Guidance for SFAs - April 2009 2-2110-246), also known as the Farm Bill, amended the National School Lunch Act to allow institutions receiving funds through the CNP to apply a geographic preference when procuring unprocessed locally grown or locally |
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| <p>41 U.S.C. 403(11)</p> <p>Uniform System of Financial Records for Arizona School Districts III- G-8</p> | <p>raised agricultural products. Unprocessed products are those products that have not been cooked, seasoned, frozen, canned, or combined with any other products. Acceptable useable forms of these unprocessed products include: “washing vegetables, bagging greens, butchering livestock and poultry, pasteurizing milk, and putting eggs in a carton.” While the statute permits institutions to apply a geographic preference to the maximum extent practicable and appropriate, it does not require institutions to purchase locally grown and locally raised agricultural products, or to apply a geographic preference in their procurements of these products.</p> <p><u>Procurement Cost Threshold</u></p> <p>The cost threshold set by state or Federal procurement law determines whether a LEA can use the informal procurement procedure or if they must use one of the formal procurement procedures. The cost threshold applies to:</p> <ul style="list-style-type: none"> • Single items/services (Examples: milk, bread, or a vended meal contract) • Many items of the same general type of product (Example: office supplies) • Catering Contracts • Food Service Management Company Contracts <p><u>Procurement Code of Standards</u></p> <p>LEAs must establish procedures for the purchase of food, supplies, equipment and other services with program funds. This is to ensure that materials and services are obtained efficiently, economically and in compliance with federal, state and/or local laws. Public schools and charters, unless exempt, must follow procedures as prescribed in the Arizona School District Procurement Code. There are different procurement requirements depending on whether the annual aggregate value of the purchase or USDA Food is over \$33,689 (\$50,000 for charter schools, unless exempt) or not. However, if the annual aggregate purchase is below these thresholds then refer either to the <i>Uniform System of Financial Records for Arizona School Districts III-G-8 (USFR)</i> or the <i>Uniform System of Financial Records for Arizona Charter Schools VI-G-7 and 8 (USFRCS)</i>.</p> <p>The chart below lists the cost threshold maximum for each type of LEA:</p> <table border="1" data-bbox="446 1843 1432 1887"> <tr> <th data-bbox="446 1843 980 1887">LEA</th><th data-bbox="980 1843 1432 1887">Procurement Cost Threshold</th></tr> </table> | LEA | Procurement Cost Threshold |
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| LEA | Procurement Cost Threshold | | |

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| <p>USDA's FSMC Guidance for SFAs - April 2009 7 CFR Parts 210, 215, 220, 245, 250</p> | <p>purchase is less than the small purchase threshold. Small purchases are conducted using specific procedures that are not as rigorous as formal procedures, but still provide open and free competition. CNP participants are expected to use reasonable practices to obtain the best product at the best price and terms. Small purchase procedures, while relatively simple, must be free from anticompetitive practices and provide full and open competition.</p> <p>Informal procurement methods for small purchases are relatively simple for securing services, supplies, or property that may be used when the anticipated acquisition will fall below the acquisition threshold. The Federal threshold for small purchase procedures is currently set at \$100,000. However, Arizona and School District regulations are more restrictive than the Federal level. In applying the small purchase threshold, the LEA must adhere to the most restrictive, lowest limit set. If small purchase procedures are used, price or rate quotations shall be obtained from an adequate number of qualified sources.</p> <p><u>Formal Procurement</u></p> <p>Formal Procurement is the process of acquiring, by lease or purchase, goods and services such as food, equipment, bookkeeping, and auditing. The purpose of an effective procurement procedure is to ensure that such goods and services are obtained efficiently, economically and in compliance with state and Federal law. All formal procurements must follow the Code of Federal Regulations (CFR). The CFRs provides rules that LEAs must observe if they are to participate in the NSLP, the SBP, the SMP, and other meal programs. All contracts require that the FSMC conduct program operations in accordance with 7 CFR Parts 210, 215, 220, 245, and 250.</p> <p>The two most frequently used methods of procurement are:</p> <ol style="list-style-type: none"> 1. Competitive Negotiation also known as Request for Proposal (RFP) 2. Competitive Sealed Bids also known as Invitation for Bid (IFB) <p>Competitive Negotiation also known as an Request for Proposal (RFP) is a method of procurement whereby a technical proposal is solicited that explains how the prospective contractor will meet the objectives of the solicitation and a cost element that identifies the costs to accomplish the technical proposal. While price alone is not the sole basis for award, price remains the primary consideration when awarding a contract under the competitive proposal method. An RFP is what the LEAs use primarily in the State of Arizona and therefore most of ADE guidance concerns the RFP.</p> <p>Factors to consider when using competitive negotiation (RFP) are:</p> <ol style="list-style-type: none"> 1. Technical Skills Needed: The LEA must have the technical skills necessary to evaluate the proposals and negotiate with the offerors. These skills usually include knowledge of procurement and contracting, school food service, and financial management. |
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**USDA's
FSMC
Guidance for
SFAs - April
2009**

2. **Legal Advice Needed:** The LEA's legal authority should be available to assure that the proposed contractual language reflects the agreement reached between the successful offeror and the LEA.
3. **Monitoring Costs Required:** Under a cost-reimbursable contract, the SFA must independently monitor the costs incurred in compliance with 7 CFR Part 3015, Subpart T.
4. **Careful Preparation of Evaluation Criteria:** The criteria that will be used to evaluate the proposals must be carefully prepared and included in the RFP. These criteria must be followed in evaluating the proposals.
5. **Requires Inclusion of All Pertinent Information:** The due date for proposal submission must be included in the request as well as any information concerning pre-proposal meetings and the need for board approval of the selected offeror.

Advantages of using competitive negotiation (RFP) are:

1. **Flexibility in Assigning Responsibilities:** Based upon the responses received from the offerors, the LEA decides which functions will be performed by the FSMC.
2. **LEA's Benefit During Periods of Falling Prices:** RFPs that result in cost-reimbursable contracts allow a LEA to take advantage of price declines during periods of falling prices.
3. **Greater Flexibility in Selecting FSMC:** The LEA has somewhat more flexibility in selecting a FSMC because the LEA is not limited to selecting the offeror that submits the lowest price bid.

Disadvantages of using competitive negotiation (RFP) are:

1. **Complex Monitoring:** The monitoring of revenue and expenses under the contract will be more complex because:
 - a. The Federal cost principles referenced in 7 CFR Part 3016.22(b) apply to cost-type contracts. In addition, 7 CFR Section 210.21(f) highlights requirements for contractors billing a LEA under cost-reimbursable contracts. The LEA must review specific items of cost the FSMC charges to the food service account for conformity to these cost principles.
 - b. The timing of expenses will affect the status of the food service account. If the FSMC records expenses on the cash basis of accounting and bills the LEA accordingly, it will bill for goods and services at the time they are purchased. Under the accrual basis of accounting, the FSMC would record expenses and bill the LEA when the goods are actually used in the food service operation.
 - c. The accrual basis of accounting is the preferred method because it measures the benefits received from the FSMC's purchases. Cash basis billing can distort this measurement. It can generate overstated expenses and an understated account

**USDA's
FSMC
Guidance for
SFAs - April
2009**

balance at the time of purchase, and the reverse situation at other times. The LEA can correct such distortions only by making adjustment entries. If the FSMC does not use the purchased goods at the same rate from month to month, the LEA must recalculate the adjustment entry each month.

2. **Unbudgeted Costs During Periods of Rising Prices:** RFPs that result in cost-reimbursable contracts may result in additional costs to the LEA during periods of rising prices.
3. **Potential Reopening of Negotiations:** Under a RFP, the contract is prepared based upon the negotiations. The contract cannot be finalized until ADE reviews required documents.
4. **Essential Skill and Experience:** The negotiation process requires that the LEA possess significant skill and experience in negotiating, contracting and financial management. It may be necessary for the LEA to hire individuals to provide the needed expertise, which can be cost prohibitive. Attempting to negotiate without the needed expertise can result in the LEA entering into a contract that meets regulatory requirements and is fully enforceable, but is detrimental to the LEA.
5. **Unexpected Responsibilities:** To the extent that the LEA has not identified whether it or the FSMC will perform certain functions, the LEA may incur duties and related costs not planned or budgeted.

Competitive Sealed Bids also known as Invitation for Bid (IFB), is a method of procurement in which sealed bids are publicly solicited, i.e., through an invitation for bid, resulting in the award of a firm fixed-price contract to the responsible bidder whose bid is responsive to the IFB, conforms with all the material terms and conditions of the invitation for bids, and is lowest in price.

Factors to consider for using competitive sealed bids (IFB) are:

1. **Fixed Scope of Services:** The LEA has identified exactly which services and costs it wishes to contract out to the FSMC.
2. **Legal Advice Needed:** The LEA should obtain legal advice in the development of a contract for inclusion in the IFB.
3. **No Negotiation Involved:** The LEA either does not wish to, or lacks the needed experience to, negotiate price and contractual responsibilities with the FSMC.
4. **Competition Available:** More than one FSMC is willing and able to compete effectively for the contract.
5. **Responsible/Responsive Bidder:** The bid will be awarded to the responsive/responsible bidder that submits the lowest responsive bid. The LEA must include sufficient information in the IFB to allow bidders to properly respond to the IFB, thus enabling the LEA to determine responsiveness. The LEA must use responsiveness criteria that are measurable. Normally, this means establishing minimum

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| <p>USDA's FSMC Guidance for SFAs - April 2009</p> | <p>levels.</p> <p>6. Needed Information: The place and time the bids will be opened and the award made must be included in the invitation as well as any information concerning pre-bid meetings and the need for board approval of the selected bidder. If bid and/or performance bonds will be required, the amount, any requirements concerning the bonding firm, and when the bond(s) must be provided to the LEA must be included in the invitation.</p> <p>Advantages of using competitive sealed bids (IFB) include:</p> <ol style="list-style-type: none"> 1. Advance Preparation: The contract is prepared prior to soliciting bids. This generally allows the LEA to more accurately estimate costs and assign staff resources well in advance of the effective date of the contract. The pre-bid preparation of the contract also permits the LEA to arrange for its legal authorities to review the contract provisions for legal sufficiency without the pressures of negotiation. 2. Easier Identification of Revenues and Expenses: Fixed-price contracts more easily permit the LEA to identify anticipated revenues and expenses, as well as the total anticipated cost of the contract. 3. No Negotiation Responsibilities: The LEA is relieved from negotiating both the cost and responsibilities with bidders. 4. Simplified Monitoring: The monitoring of the status of the non-profit food service account is not difficult. Transactions are restricted to processing billings from and payments to the FSMC; the FSMC does not pass costs on to the LEAs. <p>Disadvantages of using competitive sealed bids (IFB) are:</p> <ol style="list-style-type: none"> 1. Demands Precise Identification of Needs: If the bid document does not clearly identify the services requested, the bid prices and the services provided by the FSMC may not be reasonable or responsive to the LEA's needs. 2. May Limit Competition: During periods of rapidly rising prices, prospective offerors may decline to bid on a fixed-price basis or bid overly high. In situations where prices are declining, fixed-price contracts do not allow the LEA to benefit from the decline. <p style="text-align: center;"><u>Purchasing Methods</u></p> <p><u>Line Item Purchasing</u></p> <p>This method is commonly used in food service. A buyer requests bids on a line by line basis, at a fixed price for deliveries to be made over a period (usually one to three months), after which bids are solicited again. This is often referred to as "Formal Bid Against Specification."</p> <p><u>Purchasing by Item Groups</u></p> <p>Buyers may purchase supplies in item groups at fixed prices. Items are best</p> |
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grouped according to sources of supply. Traditionally produce, milk, ice cream, and bread are purchased in separate groups to accommodate firms who specialize in each of these product lines. Milk, ice cream and bakery products are usually purchased on annual contracts. Other item groups, i.e., canned and frozen fruits and vegetables are purchased for shorter time periods. Bid awards are made on the basis of bottom line per group.

Lump Sum Purchasing

LEAs with warehouses commonly use lump sum purchasing. Items are purchased on a line item basis for lump sum delivery. Bids stipulate the purchase of specific amounts of each item or fixed prices for one, two or three delivery dates. Deliveries are often made on exchangeable pallets. Often the lump sum is bought directly from the packer.

Food Purchased for School Food Service Programs

All food purchased with CNP funding and USDA donated foods are the property of the National School Lunch Program and/or the School Breakfast Program. Food (including leftovers) and goods may not be removed from the school by employees. Purchased and donated foods lost through theft, destruction or spoilage may not be claimed in the cost of operation.

Purchasing For Personal Use

The food service operation should be operated in a business-like manner. The money received as reimbursement for these programs is public tax money, therefore, the use of CNP funds are subject to scrutiny from taxpayers.

ADE discourages LEAs from allowing employees to purchase food or supplies for personal use from school vendors since:

- It could be a conflict of interest
- It could be unfair competition
- It could be considered a special benefit
- It could appear to be theft from the school

The written code of standards must address the following:

1. The LEA's officers, employees, or agents shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors.
2. Penalties or other disciplinary actions will be applied for violation of the above.

See Exhibit below for a sample [Procurement Policy Code of Standards](#).

Exhibit

Procurement Policy Code of Standards
(SAMPLE)

Any officer, employee, or agent of the (Local Education Agency), who has occasion to handle school food or monies, shall perform his/her duties in a manner consistent with good business practices. This shall include prohibition of:

1. Solicitation or acceptance of gratuities, favors, or anything of monetary value from contractors, potential contractors, or parties to sub-agreements.
2. Participation in awards or administration of contracts to firms in which the employee, or any member of his/her immediate family, has financial or other interest. Where financial interest is not substantial, or the gift is unsolicited and of nominal intrinsic value, such interest

shall be documented and approved by (Local Education Agency), before acceptance.

3. Penalties or other disciplinary actions for infractions of this policy will be based on the seriousness of the violations. Disciplinary actions may include, but are not limited to:
 - a. Written disciplinary report filed individual's personnel file;
 - b. Suspension of duties;
 - c. Termination of employment;
 - d. Prosecution by legal authorities.

Distribution Instruction

This policy shall be incorporated into the General Operation Policy Manual of the (Local Education Agency), dated_____ and shall be reviewed annually by the Executive Director or School Board. Copies of this policy are to be distributed to all personnel who have occasion to handle school food, monies, or supplies, together with their supervisors and program directors.

Signature

Buy American Provision

LEAs must comply with the Buy American provisions that are found in the regulations of the National School Lunch Program (NSLP) at 7 CFR 210.21(d) and the School Breakfast Program (SBP) at 7 CFR 220.16(d). The Buy American provision (in section 12(n) of the National School Lunch Act) requires schools to purchase, to the maximum extent practicable, domestic USDA Foods and products. A domestic USDA Food or product means an agricultural USDA Food that is processed in the United States, and a food product that is processed in the United States substantially using agricultural USDA Foods that are produced in the United States. Purchases made in accordance with the Buy American provision must still follow the applicable procurement rules calling for free and open competition. Any entity that purchases food or food products on behalf of the LEA must follow the same Buy American provisions that the LEA is required to follow.

The following are ways that LEAs can take action to comply with the Buy

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| <p>7 CFR 210.21(d)</p> <p>7 CFR 220.16(d)</p> <p>CN 24-10 CN 22-10 CN 18-10</p> | <p>American requirements:</p> <ol style="list-style-type: none"> 1. Include a Buy American clause in all procurement documents (product specifications, bid solicitations, requests for proposals, purchase orders, etc.). 2. Monitor contractor performance. 3. Require suppliers to certify the origin of the product. 4. Examine product packaging for identification of the country of origin. 5. Ask the supplier for specific information about the percentage of U.S. content in the food product. <p style="text-align: center;"><u>USDA Foods</u></p> <p>By law, the United States Department of Agriculture (USDA) acquires agricultural USDA Foods through price support programs, surplus removal, and direct purchase programs from national markets to provide nutritious, quality foods to eligible schools/agencies. The schools, in turn, prepare meals for the purpose of improving the nutritional well being of children receiving the meals. Approximately, 20% of food consumed in schools throughout the United States is donated by the USDA.</p> <p>A state agency enters into an agreement with USDA to administer the Food Distribution Program to approved sponsors. In Arizona, the agency responsible for administering the Food Distribution Program for congregate meals is the Arizona Department of Education (ADE), Health and Nutrition Services Unit, Food Distribution Program.</p> <p>Participants in the National School Lunch Program indicate on the Food Service Agreement their choice for participation in the Food Distribution Program.</p> |
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| <p>Legislative Authority</p> <p>USDA Food Programs</p> | <p><u>Legislative Authority</u></p> <p>The USDA offers food to the states under four legislative acts:</p> <ol style="list-style-type: none"> 1. Section 6 of the National School Lunch Act specifically for schools participating in the National School Lunch Program 2. Section 32 of Public Law 320, August 1935, the Agricultural Surplus Removal Program; 3. Section 416 and 6(e) of the Agricultural Act of 1949, the Price Support and Re-donation Program; and 4. Section 709, which allow the purchase of dairy products at market price for School Lunch Programs. <p>The USDA pays for the primary processing and packaging of USDA Foods and for transporting them to receiving destinations chosen by the State Distributing Agency (DA), which is ADE.</p> <p><u>USDA Food Programs</u></p> <p>National School Lunch Program (NSLP) - USDA Food assistance to school districts operating non-profit school lunch programs, non-profit public and private residential childcare agencies and non-profit private schools.</p> <p>Summer Food Service Program (SFSP) - USDA Food assistance for non-profit organizations operating food service programs for children under the SFSP.</p> <p><u>Food Distribution System</u></p> <p><u>USDA Food Categories</u></p> <p>The USDA provides an annual dollar value entitlement of USDA Foods to be made available to each of the programs. USDA purchases USDA Foods from the national market or as price support items to fulfill the dollar entitlement for each program. These items are called Group A. States order certain standard staple items for the programs at levels not to exceed the dollar entitlement level authorized. These items are called Group B. USDA provides items, which are in large surplus, that are not subject to an entitlement. These items are called Bonus Items. USDA Foods are classified based on the method USDA uses to purchase the USDA Foods. Classification of USDA Foods plays an important role in how the foods are ordered, allocated, coded for computer purposes, inventoried and tracked. The following describes the USDA Food groups:</p> <ul style="list-style-type: none"> • Group A - This is the largest group of items, which are issued to the National School Lunch and Summer Food Service Programs. Items are available only intermittently and the majority of items are made available during the school year. (Examples: Ground Beef, Canned Peaches, Frozen Turkey, and Frozen Chicken.) USDA Food items |
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| | <p>are allocated to each state by the USDA. Sponsors are notified of expected Group A shipments by the Group "A" calendar. This calendar serves as a tool for planning menus and commercial purchases.</p> <ul style="list-style-type: none"> • Group B - These items are usually available year round and are normally staple items used in food service. (Examples: Pasta, Flour, and Peanut Butter.) A perpetual inventory of Group B is kept at the warehouse. Inventory level is based on need projections submitted to the state by the sponsor yearly on the Planned Usage Request Survey Form. • Bonus Items - Group A or B foods may be available as Bonus. The "USDA Food Notice of Arrival" will indicate the word Bonus. The values of Bonus items are not charged against the sponsor's entitlement. <p>Processed Items - The State enters into processing agreements with vendors to convert raw USDA Food into processed items, which are more acceptable and usable for schools. When there are enough commitments from schools, the Department of Education Food Distribution staff diverts shipments of the raw product from USDA vendors directly to the processor. The finished product is shipped to the warehouse for distribution to schools or directly to a school. Processed items are handled the same way as any other Group A/B USDA Food e.g., allocations to specific schools and a 45 day storage period. Processed items reflect the processors packaging and labels, not the USDA packaging and labeling.</p> <p><u>Food Distribution on the Internet</u></p> <p>Arizona Department of Education (ADE) has developed a web program allowing all schools to receive their USDA Food allocations, refuse USDA Foods, as well as place all USDA Food orders directly with the contracted distributor on-line through the Internet. All schools are required to maintain and track their USDA Foods through the Internet. Classes are offered throughout the school year to train new Food Service Directors. Access to a district's USDA Foods on-line is given to participants during the training.</p> <p><u>USDA Food Allocation</u></p> <p>The USDA Food Notice of Arrival is used to notify schools of inventory that is available for ordering from the warehouse. These items are allocated to sponsors on a fair share basis.</p> <p>After receiving the posted allocation on the Internet, schools that want to refuse some or all of the products must refuse their USDA Foods on-line by the due date identified in the top center of the allocation. The values of the refused products are returned to the sponsor's entitlement if refused by refusal date.</p> |
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| | <p>The sponsor is allowed 45 days of “free storage” for items accepted. Items must be ordered before the end of the storage time, or close date. If not refused by that date the product is reallocated to another sponsor and the entitlement value is lost. Allocations are considered accepted when there is no reply.</p> <p><u>Planned Usage Request Survey</u></p> <p>Sponsors are required to submit the Planned Usage Survey annually. The survey is posted to the web site January of each year. It covers the period August – April of the upcoming year. This form must be submitted directly to ADE on the Internet. The survey is used by the Food Distribution staff to order Group B USDA Foods from USDA.</p> <p>The survey displays the sponsor’s name, address and a County-Type-District (CTD) number. The CTD number is important when placing orders with the warehouse and communicating with Food Distribution staff. The entitlement assigned to the sponsor for the entire year is located in the top right hand corner.</p> <p>The bottom half of the survey lists the names of the products available, the type of container, i.e., case or bag, the four digit USDA Food code, i.e., B060, the months for which the sponsor is requesting cases to be shipped and the USDA value of the food. Group B requests must stay within the dollar entitlement assigned.</p> <p>Food Distribution will tabulate all requests to determine the feasibility of shipping a USDA Food into the contracted distributor’s warehouse or directly to a processor. Sponsors will be notified whether a shipment can or cannot be arranged. Surveys must be submitted to Food Distribution by the due date established to assure the product is available for the requested month.</p> <p>Confirmations of requests are posted in CNP2000 which indicate the USDA Foods and amounts available to order. Sponsors should immediately verify the confirmation against the original request to ensure input errors have not occurred. Contact Food Distribution when discrepancies are discovered.</p> <p>Do not place orders in advance, order only in the month requested. In order to prevent excess storage fees, USDA Foods are ordered monthly from USDA based on requests. All requests for the month must be ordered or transferred to private storage by the end of the month. When cases are left at the end of the month sponsors are billed excess storage charges.</p> <p><u>Entitlement</u></p> <p>A sponsor’s entitlement level is computed by multiplying their ADP of the prior year by the current USDA Food dollar assistance. This figure is split between Group A and B. The entitlement dollar indicates the total value of USDA Foods a sponsor will be offered during the program year. When a</p> |
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USDA Food is indicated as “bonus” on the Allocation, it is not deducted from entitlement. The values of the USDA Foods are identified on the Notice of Arrival Allocation and Planned Usage Reports. Monitoring the dollar value of the USDA Foods received in the food service operation is an important management tool. Sponsors must track the value of USDA Foods received for the Annual Financial Report and provide auditors the level of federal assistance received. Additionally, the USDA price list is used to establish the value when a USDA Food loss occurs.

Commercial Distribution System

USDA contracts with the Department of Education (ADE) to warehouse and distribute USDA Foods to eligible sponsors within the State of Arizona. The ADE has a contract with a commercial distributor for the handling, storage, and distribution of the USDA Foods to all sponsors throughout the State. The ADE also has agreements with sponsors that include the administrative and storage requirements for participation in the Food Distribution Program. The Food Distribution Program staff is responsible for ordering the USDA Foods from USDA based on availability and projections on the Planned Usage Request. Sponsors order their USDA Foods directly from the contracted warehouse. Sponsors are billed by the warehouse for a storage, delivery and State administration charge. Distribution charges are on a per case shipped basis, negotiated by ADE and the warehouse annually.

Method of Delivery/Pickup

Sponsors may choose one of the following options to receive USDA Foods:

1. Delivery to Food Preparation Site - Delivery to kitchen sites where meals are prepared for congregate meals. Driver is to place the USDA Foods in the proper storage area: dry, freezer and cooler. The driver will not put the USDA Foods on the shelves or make room in the storage areas for them. Also, schools are not allowed on the distributors’ truck to unload USDA Foods. Minimum delivery amount is 10 or 20 cases depending on your Average Daily Participation (ADP).
Example: A 10 case minimum drop fee is required for sponsors with and ADP of 250 or less. A 20 case minimum drop fee is required for sponsors with an ADP of 251 or more.
2. Delivery to School District or Central Warehouse - Delivery to a central warehouse receiving area. This could also be a central kitchen, such as the main kitchen for a school district where USDA Foods are further distributed to schools throughout the district. Deliveries to central warehouses will be on exchangeable pallets. If the sponsor does not have a platform, the product must be unloaded at grade level by means of a forklift truck. There is a minimum delivery amount of one hundred (100) cases.
3. Pick up at Distributor's Warehouse - USDA Foods are picked up from

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| | <p>the warehouse and transported by sponsors in their own or contracted refrigerated vehicles. Issues across the warehouse platform will be at the platform out loading door on exchangeable pallets. There is a minimum pick up amount of one hundred (100) cases.</p> <p>Sponsors choose the method of delivery prior to each school year (July 1 - June 30). The delivery method may not be changed during the year.</p> <p>The warehouse provides sponsors with delivery schedules and allowable pick-up days. Distributors' delivery hours are from 6:00 a.m. to 2:30 p.m. local (Phoenix) time. Schools will not be required to accept delivery after 2:30 p.m. unless mutually agreed upon by the school and the warehouse. The warehouse will contact sponsors if for any reason the scheduled delivery cannot be made. Deliveries will not be made on State and school district holidays, during school closures and during physical inventory reconciliation conducted by ADE and the warehouse. However, the sponsor must notify the warehouse of any known closure in advance, within the mutually agreed upon time frame.</p> <p>Each delivery receipt/invoice is to be signed by the school. Schools must indicate shortages, overages and refused damaged cases on the warehouse receipt and initial. Signing the receipt indicates that everything was received and in good condition. Schools must call the warehouse to have shortages and damages reshipped.</p> <p><u>Ordering Procedure</u></p> <p>Ordering USDA Foods is performed on the Internet. Schools order USDA Foods directly with the contracted distributor by submitting orders on-line, see Exhibit B.</p> <p>Group A and B USDA Foods (bonus and/or entitlement) can only be ordered if an allocation has been posted to the Internet for a district. Group B/Planned Usage Survey USDA Foods are to be ordered according to confirmations once they have been posted to the Internet. Groups A and B and processed items may be ordered at the same time.</p> <p>Sponsors may place orders for less than the required 10 or 20 cases but the shipping charge will be for the minimum amount. It is more cost effective to call the Food Distribution staff and request a special allocation of surplus inventory that will help meet the minimum delivery charge.</p> <p>The contracted distributor requires a 72-hour (3 working days) notice prior to the assigned delivery day. Orders may be placed weekly, every other week or monthly. The sponsor determines the frequency of the deliveries.</p> <p>A sponsor with more than one delivery site must submit an order per site to receive deliveries at each site. If an order is less than the minimum required delivery amount the charge will be for the minimum delivery quantity. Schools must keep a copy of the completed order to verify against the delivery.</p> |
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The USDA Food warehouse is closed the last week of June for the physical inventory counts, and the first three weeks in July to reconcile the physical count with ADE and the contracted distributor. No deliveries will be made until reconciliation is complete.

Receiving Responsibility

1. Shipments from Distributor

Check the delivery and have the driver indicate on the receipt if there are shortages and/or damages. Refuse all cases that are damaged. Contact the warehouse to reorder short and/or damaged USDA Foods. Reordered items will be shipped on the next scheduled delivery day. Invoices will then only be for the number of cases shipped on reorders, no minimum delivery fee will be assessed. Reorders may be combined with a future order to help meet the minimum 10 or 20 case shipping charges. The school is responsible for the delivery once the receipt is signed. **The warehouse is not responsible for shortages and/or damages after the driver has left the delivery site.**

2. USDA Direct Shipments

Large schools with warehouse facilities may elect to receive one-third to full truckload quantities of USDA Foods direct from USDA. These shipments are coordinated between the schools and Food Distribution. The following requirements apply to sponsors electing to receive direct shipments from USDA:

- All truckers are instructed by USDA to arrange unloading appointments directly with the school, 24 hours in advance.
- Truck shipments are scheduled to arrive either palletized, slip sheeted or the driver may tailgate the product on the school's pallets. The school normally unloads the truck.
- The school inspects the load upon arrival and verifies the accuracy of the count. A [Receiving Report](#) is completed within five working days after delivery and returned to the Food Distribution Unit. An [over, short and/or damaged report](#) must be submitted if shipment is not accurate.

Sponsors are charged an administrative fee by the Food Distribution program for cases that are direct shipments.

Payment to Warehouse

The receipt/invoice received at time of delivery is a "bill". Submit payment to the warehouse. **Be sure to identify the invoice being paid with an invoice number on the warrant or check stub.** Statements of accounts are sent each month. Payment is due 30 days upon receipt. Shipments will be stopped after 60 days for nonpayment. Reimbursement claims will also be held until the amount due has been received. Shipment of USDA Foods will then resume. A late fee of 1.5% is assessed on all bills 60 or more days in arrears.

Excess Storage

ADE will charge sponsors \$1.10 per case on all cases not refused or ordered out by the close date of the allocation or when ADE has cleared the allocation from the web system.

USDA Food Processing

USDA regulations allow State Distributing Agencies to enter into agreements with commercial food companies for the processing of USDA Foods into various end products [7 CFR Part 250.30(b)]. When the desired end products are labor intensive or the USDA Food is difficult to work with, processing is an option. Processing converts labor intensive USDA Foods into labor friendly USDA Foods. It also allows schools the ability to be creative and create variety for their lunch program. One USDA Food can be converted into many different products.

To provide improved customer service to schools, ADE has performed the procurement function of obtaining processing vendors. ADE has contracted with a variety of vendors to convert raw USDA Foods into finished product. To utilize processed USDA Foods, schools only need the current ADE contract number for audit purposes.

Donated Food Processing Programs**Master Donated Food Agreement Processing Program**

The ADE has contracted with over thirty vendors through the National Processing Agreement which specifies the terms and conditions of the processing program. Processors submit items for approval to ADE that they wish to market in the State. Several processors may offer the same product. Schools chose the processor that best fits their needs.

Processing surveys are posted to the web site in January, which enables sponsors to have their USDA Foods shipped directly to processors from USDA. This arrangement is the most cost effective but cannot be utilized unless a full truck of one item is shipped. ADE compiles the number of requests from school surveys to create full truckloads. Adjustments to surveys may be made to accomplish this. Direct diversions of full trucks to processors will be coordinated by ADE.

Fee Arrangements

The cost of processing donated foods into various end products will be based on one of the following:

Commercially Structured Processing

The processing of donated food is incorporated into the Processor's normal manner of business, including production, pricing, and delivery of the end

product. A specific value for the donated food contained in the end product is established based on the November 15 USDA Food Sequence Code File. The Processor shall ensure that the full value of donated food contained in each case of end product will be passed to the school. With the approval of Food Distribution, the processor will select one [value pass-through system](#).

Fee-For-Service

A fee-for-service is a price representing the processor's cost of ingredients (other refund per case is established) consequently, there is no credit for value of the USDA Food. The net price is based on a per pound unit charge for processing raw product.

Distributing Agency Record Keeping and Reporting

The Food Distribution Unit will be responsible for:

- Verifying the actual amount of USDA Foods contained in end products by computations on the Summary End Product Data Schedule, product specification sheets, and Processor's production records.
- Reporting to USDA the amount of USDA Food inventories at the processors.
- Coordinating USDA Food shipments and deliveries to processors to ensure that the quantity of USDA Foods for which a processor is accountable is at the lowest cost-efficient level. No more than a six-month supply, based on the processor's monthly usage, is acceptable unless approved by Food Distribution. This will be accomplished by monitoring the processor's performance reports and allowing adequate lead time for placing orders to USDA.
- Providing processors with updated lists of sponsors.
- Working with processors to notify sponsors of the products available. A list of approved processors and their products is made available to sponsors annually on the [website](#) under Processor Forms.
- Assure that proper documentation is maintained to support refunds of donated food value to schools.

Sponsor Responsibilities

- Assure that purchasing procedures are in compliance with the appropriate state competitive bidding requirements (generally, public schools and state institutions) or the procurement standards on OMB Circular Number A-102 (generally, private schools).
- To pay for transportation, pickup, and delivery of products within 30 days. Be sure to verify that the prices listed on the processor invoice are equal to or less than the prices listed in the Processing Catalog for that particular processor and item.
- If product is bid, the school could pay less than the amount indicated in the Processing Catalog. However, you will not be charged more than what has been approved by ADE.

- Records must be maintained with respect to receipt, disposal, and inventory of processed donated foods.
- Perform appropriate paperwork:
 - Sign and maintain a file of load-out checklist, bills of lading, and delivery tickets for the transfer and return of donated food to a Processor.
 - Maintain invoices to ensure that the value of the donated food contained in the finished product was received in exchange for the raw donated food.
 - Submit the appropriate Processor's Refund Household application to the processor within 30 days from the end of the month of the date of delivery of end products containing USDA Foods.
- Monitor performance of processors and bring any problems to the attention of the Food Distribution staff.

Use of USDA Foods

Food Service Management Companies

Food Service Management Companies (FSMC) may be employed to conduct the food service operations of eligible Child Nutrition Program sponsors. The contract between the sponsor and the FSMC must include, but not limited to:

1. Any USDA Foods received by the sponsor and made available to the FSMC shall be utilized solely for the purpose of providing benefits for the employing agency's food service operation and it is the responsibility of the sponsor to demonstrate that the full value of all USDA Foods is used solely for the benefit of the sponsor.
2. The FSMC is responsible for the security and care of the USDA Foods. Claims for loss, theft or damage are the responsibility of the FSMC.
3. Schools are responsible for ensuring Federal Regulations are met.
4. The FSMC will keep records for a period of five years from the close of the fiscal year.
5. FSMC employees may attend USDA Food trainings but may NOT have logon permission. The trainer must be notified if an attendee is that of a Food Service Management Company.

For more information on FSMC, refer to Section 11 and the manual *Contracting for Food Management Services*.

Use of USDA Foods in the Classroom

Schools may provide any type of USDA Food for use in training students in home economics classes and nutrition education classes at all grade levels. No charge is to be made for USDA Foods transferred to classes. It is required that a transfer slip, listing the type and amount of USDA Foods, be signed by the receiving teacher. USDA Foods should be released to teachers on an as needed

basis. All handling and storage requirements must be met.

Administering Several Food Programs

Records must be kept to indicate USDA Foods received for each Child Nutrition Program administered. However, if the Summer Food Service Program is operated under seamless waiver all USDA Foods are received and logged as National School Lunch Program USDA Foods. Use of product from one federal program to another must be tracked so replacement can be made.

Catering

USDA Foods may **not** be used for catering of school (e.g., school clubs or sports banquets, PTAs, etc.) or nonschool functions (e.g., Chamber of Commerce, clubs, political rallies, etc.).

Schools may use USDA Foods for other meal service activity which is operated in the school or under the non-profit school food service account such as: a la carte sales, school breakfast program and meals and snacks in residential child care institutions.

Schools contracting to provide meals and/or snacks to elderly programs or child care centers for a fee are providing a catering service. Schools in this situation may prepare and provide meals containing USDA Foods to child care centers, but may not claim these children or adults in their average daily participation count or for school lunch reimbursement. Many Head Starts and child care centers are on the Child and Adult Care Food Program in which they receive cash per meal for USDA Foods along with their reimbursement claims. Schools must also be able to show that they have replaced USDA Foods with commercial replacement sufficient to cover these additional meals.

Care and Storage of USDA Foods

Storage Procedures

Any school receiving USDA Foods is responsible for the care of the USDA Foods. This would include but is not limited to:

1. Check each delivery of food for possible shortages and damage before the foods are accepted.
 - Refrigerated and frozen products must be examined to ensure that the temperature of the product is adequate and that they are in good condition.
 - Canned foods must be examined to determine if there are any damaged, disfigured, or discolored cases or cans, which might indicate spoilage or deterioration.
 - Foods subject to insect infestation must be thoroughly inspected.
 - Foods found to be out of condition must be segregated from other foods and handled in accordance with loss procedures.
2. A [perpetual inventory record](#) must be kept for all foods in stock.

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| | <p>Sponsors are financially responsible for USDA Food loss through spoilage or theft due to negligence or failure to provide adequate storage or protection of USDA Foods in the school's possession. A loss of USDA Foods due to spoilage, infestation, fire, or theft occurs and the value is \$2,500 or more, should be reported immediately by phone to Food Distribution. If the value of the USDA Food loss is less than \$2,500, complete the loss form and keep on file for audit trail of inventory. The State Agency will issue appropriate instructions for disposition of USDA Foods that are damaged or unfit for human consumption. USDA Donated Food Loss forms will be issued for the purpose of providing a thorough explanation of the loss. Losses occurring as a result of theft or break-in should be investigated by local authorities and a copy of the report enclosed with the loss report. A loss report from fire should include a statement from the fire chief or other official that investigated the fire. Do not dispose of a USDA Food without prior authorization from Food Distribution. USDA Food losses may be compensated by payment for the value of the USDA Foods or by replacing the product, this determination is made by Food Distribution.</p> <p>Report any out-of-condition or damaged product received to Food Distribution. Provide the following information:</p> <ul style="list-style-type: none"> • Name of sponsor. • Name of USDA Food. • Contract number and/or plant number. • Date product was received and date of pack. • Condition of the USDA Food (including identification or description of foreign matter), and how the USDA Food was discovered to be out-of-condition. • Quantity on hand that is assumed to be unusable or questionable. <p>When Group A or B entitlement USDA Foods are received out-of-condition or damaged, these USDA Foods will be replaced with like USDA Foods, if possible. No replacement will occur if the loss or damage was due to sponsor mishandling or the sponsor has already exceeded their entitlement.</p> <p><u>Food Alerts</u></p> <p>All sponsors will be notified when there is an urgent concern about the safety, wholesomeness, or condition of USDA Foods. Notification will be made expeditiously either verbally or in writing. An immediate hold must be placed on all products covered by this alert until advice on proper disposition is received. After instructions are received from USDA, notification will be provided either releasing the foods for program use or providing instructions for the disposition of unsafe products.</p> <p><u>Records and Reports</u></p> <p>Sponsors must maintain and complete the following records of USDA Food inventory and usage:</p> |
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| | <ol style="list-style-type: none"> 1. Sponsors annually should complete and retain on site the Storage Facility Self-Evaluation Form. This is also a tool to ensure that safe storage and handling methods are practiced. It also ensures that USDA guidelines are met with regards to USDA Food storage. 2. Sponsors who contract with Food Service Management Company's must complete an annual Inventory Report based on actual physical counts of USDA Foods. The report is due July of each year. The report should indicate only full cases/bags of donated food in inventory and/or at private storage facilities. 3. A contract with a private storage facility should be on file. The contract should list the facility's responsibility for damage, theft and/or fire of USDA Foods. 4. A perpetual inventory should be maintained for the most efficient use of USDA Foods. A periodic physical inventory must be taken to determine the accurate quantities of USDA Foods on hand. 5. Value of USDA Foods report is accessible on CNP2000. This is your verification of shipment, and the value of USDA Foods delivered. Discrepancies in the report should be reported. This report must be retained for auditing purposes. <p>Communication</p> <p><u>Food Distribution Advisory Council</u> Arizona has an Advisory Council that is made up of a diverse representation of school districts. They meet on a monthly basis. Council members serve two-year terms. The purpose of the Council is to provide Arizona Food Distribution Program assistance in special projects, input on USDA Food choices and guidance.</p> <p><u>USDA Food Complaints</u> If a school receives a product that they feel is not acceptable due to the quality or condition of the product, complete the USDA Foods Complaint Form. It is necessary that all pertinent information about the product, such as contract number, plant number, date of pack, date of receipt, be provided to allow for appropriate investigation by USDA. This information can be obtained by contacting Food Distribution Program.</p> <p>Disaster Feeding</p> <p><u>Release of USDA Foods</u> Should a natural or man-made disaster occur, sponsors will be contacted by local disaster authorities for release of USDA Foods. Sponsors are required to comply with the following procedures in regard to utilization of USDA Foods:</p> <ol style="list-style-type: none"> 1. Upon declaration of a natural or man-made disaster, local disaster authorities, i.e., Red Cross, Civil Defense, and The Salvation Army, will contact schools participating in the National School Lunch |
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| | <p>Program to request food.</p> <ol style="list-style-type: none"> 2. Upon being contacted by disaster authorities, school personnel should contact ADE Food Distribution for authority to release USDA Foods, giving the following information to the extent possible: <ul style="list-style-type: none"> • Description of disaster situation; • Number of people requiring meals and group feeding period; • Quantity and types of food needed for group feeding; and • Number and location of sites for group feeding. 3. When authorization has been given by Food Distribution, records should be kept as to the types of food and quantity released or prepared for the disaster relief agency. Complete Form FNS-292 and submit to Food Distribution within 10 working days after the end of the disaster. 4. Food Distribution will replace USDA Foods to the extent possible with foods of equal value or in-kind. <p>Sale of Commercially Prepared Food Items</p> <p><u>Legal Arrangements</u></p> <p>Local Educational Agencies (LEA) may purchase items prepared off-site by commercial firms and include them in their meal service operation. Items may be incorporated into reimbursable meals or sold as a la carte items. A firm, which has a commercial catering license, such as fast food franchise, restaurant or bakery, may sell to a LEA as a supplier or vendor. It is also permissible for a LEA to enter into a franchise agreement with a commercial firm. The LEA continues to operate the food service as a franchise, pays the firm for training, recipes, and the use of the company logo, but the food is prepared by the LEA at LEA site.</p> <p>Proper procurement practices must be used prior to purchasing commercial food items for resale to students. A franchise agreement and the purchase of food products for use under a franchise agreement are also subject to competitive bidding requirements of Child Nutrition Programs (CNP).</p> <p>Under the National School Lunch Program (NSLP), a LEA may not, under any conditions, have a commercial company come into a school and sell product directly to students.</p> |
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| <p>7 CFR 210.11 - 2(b)</p> | <p style="text-align: center;"><u>Catering Contracts</u></p> <p>A LEA participating in the CNP has the option of contracting with a caterer to obtain meals. Typically, a caterer will provide off-site food preparation and the delivery of meals to the LEA. Caterers are most commonly utilized by LEAs who do not have the facilities necessary to produce their own meals.</p> <p>LEAs that participate in CNPs must meet program requirements for catered meals that will be claimed for program reimbursements. To help meet the USDA requirements a LEA must complete the <u>Standard Agreement to Provide Food Services</u> document or contract. This Agreement may be used when a LEA enters into a contract with a service provider (Vendor) to prepare, deliver or pick up of the following CNP meals: National School Lunch Program (NSLP), School Breakfast Program (SBP), After School Snack Program (ASCS) and Summer Food Service Program (SFSP). For this purpose, a “Vendor” is defined as a merchandiser of complete meals, meal components or raw materials, usually a caterer.</p> <p><u>All Agreements must be pre-approved by Arizona Department of Education (ADE) before they are executed.</u> The Agreement must be signed by both the LEA and the Vendor, and contain all the requirements outlined in the federal regulations. No deletions of clauses or items will be allowed without the approval of the ADE. Additional clauses may be added to bring the Agreement into conformance with applicable State or local laws governing your agency. Either the LEA or the Vendor may insert additional clauses. If an alternative format is used, it must at a minimum, contain all the clauses in this agreement or it will not be approved by ADE.</p> <p>The Agreement is effective after both parties sign it and ADE approves it. A signed copy of the original Agreement <u>must</u> be submitted to ADE for approval prior to beginning of food service operations. A completed on-line household application <u>must</u> also be approved to allow creation of reimbursement claims. If you have any questions about this please contact your assigned program specialist.</p> <p>If the combined value of the food service agreement is more than:</p> <ul style="list-style-type: none"> • \$33,689 for School Districts • \$50,000 for Charter Schools |
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| <p>7 CFR 210, 220, 225, and 250</p> <p>A.R.S. 15-213 A.1 and R7-2-1041</p> <p>7CFR3016.36(b-i)</p> <p>41 U.S.C.</p> | <ul style="list-style-type: none"> • \$100,000 for Non-profits, Exempt Charter Schools <p>Formal procurement contracting procedures <u>are required</u>, as outlined in A.R.S. 15-213 A.1 and R7-2-1041 of the Arizona School District Procurement Code. Even if a Charter School is exempt from the procurement code the Charter School <u>must</u> still comply with the Federal procurement guidelines per 7 CFR 3016.36 (b-i). USDA guidelines require all CNP participants to use formal procurement procedures when contracting for food and/or services if the total amount is \$100,000 or more.</p> <p><u>Formal Procurement</u></p> <p>The process of acquiring, by lease or purchase, goods and services such as food, equipment, bookkeeping, and auditing. The purpose of an effective procurement procedure is to ensure that such goods and services are obtained efficiently, economically and in compliance with State and Federal law.</p> <p><u>Competitive Negotiation</u></p> <p>Also known as Request for Proposal (RFP), this method is used when price is not the only consideration. When the goal or objective is clear, but the product or service could be provided in a variety of ways and the purchaser is willing to evaluate multiple criteria, the RFP is appropriate. The RFP method requires more time for development, evaluation and selection than the IFB. Contact ADE for assistance and more detailed information about allowable large purchase procurement procedures.</p> <p><u>Competitive Sealed Bids</u></p> <p>Also known as Invitation for Bid (IFB), this method is used when the only variable is the price of a product being purchased because the award must go to the lowest qualified proposal who meets the terms and conditions. The IFB requires clear, concise specifications. Sealed bids are accepted or rejected with no negotiation.</p> <p>ADE has an RFP template LEAs can use and modify to meet their specific situation. For more information please contact the Contracts Management Officer at the Health and Nutrition Services.</p> <p><u>Informal Procurement</u></p> <p>Procedures used when the purchase of food, services, and/or supplies from a supplier (wholesaler, retailer, and/or vendor) for a single transaction is less than maximum cost threshold. The informal procurement procedure should include the following:</p> <ul style="list-style-type: none"> • Obtain price (or rate) quotes from at least three qualified sources • Maintain a written record of the quotes obtained • Maintain documented evidence of free and open competition at the best price • Maintain documentation of the selection procedure |
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| <p>403(11)</p> <p>7 CFR 3016.36 (b-i)</p> | <p>If the combined value of the food service agreement is less than:</p> <ul style="list-style-type: none"> • \$33,689 for School Districts • \$50,000 for Charter Schools • \$100,000 for Non-profits, Exempt Charter Schools <p>Informal procurement contracting procedures may be used. Keep in mind that all documentation <u>must</u> be on file that the contracting procedures met the requirements for fair and open competition.</p> |
| <p>41 U.S.C. 403(11)</p> | <p style="text-align: center;"><u>Inter-Agency Agreement</u></p> <p>All LEAs participating in the CNP have the option of entering into an Inter-Agency Agreement. An Inter-Agency Agreement is generally between a School District and a Charter School, which allows the School District to sponsor or serve a Charter School with the following: NSLP, SBP, SFSP, and ASCS. An Inter-Agency Agreement outlines the responsibilities of both public entities to ensure they are complying with all the Federal regulations for the CNPs.</p> <p>The Inter-Agency Agreement must clearly specify the responsibilities each district/charter has in administering the NSLP, SBP, SFSP and ASCS, including, but not limited to the following:</p> <ul style="list-style-type: none"> • The length of time the contract will be in effect • Who is responsible for point-of-service counts • Who will handle the free and reduced-price household application process • Who will receive and approve household applications • Who will handle the verification process • Who will assume the responsibility for any over-claims identified during a review or audit • Who will perform the required edit checks • Who will ultimately be responsible for meal count and claiming accountability • The administering district includes the sites/schools in the household application/contract with the state agency |

A signed copy of the IGA must be provided to the ADE for approval. The LEA must receive approval of the IGA before food service operations can begin. Each LEA must complete an on-line household application and have it approved before the LEA can create reimbursement claims. Keep in mind that each Local Education Agency must keep a copy of the signed contract and each amendment.

ADE has an Inter-Agency template LEAs can use and modify to meet their specific situation. For more information please contact the Contracts Management Officer at the Health and Nutrition Services.

Food Service Management Company Procurement

LEAs are responsible for operating the school nutrition programs in schools under their jurisdiction. These programs include the NSLP, SBP, and ASCS. To assist in carrying out this responsibility, a LEA may contract with a Food Service Management Company (FSMC) to manage the food service operation involving these programs in one or more of its schools.

In order to ensure that an FSMC will provide the LEA with the best food service operation available, the LEA must consider a number of issues. These issues include the financial, administrative and operational activities that will be affected by contracting. The LEA should allow sufficient time to identify and analyze these issues and to prepare for conversion from self-operating the food service to using a FSMC. The following steps should be undertaken when considering the use of a FSMC:

1. **Analyze Food Service Operation:** Conduct an analysis of the current food service operation to determine what method of providing food service best meets the LEA's goals and objectives:
 - Identify the current cost of operating the self-operating food service
 - Determine all cost elements that will be affected by contracting with a FSMC. These could include personnel costs, food costs, other labor costs and contractual obligations that must be met by the LEA regardless of whether a FSMC is used.
 - Analyze all non-fiscal aspects of the current food service operation to determine the impact of utilizing a FSMC (e.g., nutrition goals

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| | <p>and nutrition education activities); and</p> <ul style="list-style-type: none"> • Identify the functions that might be contracted, and the pros and cons of contracting each. <p>2. Contact the Arizona Department of Education: Contact ADE to obtain:</p> <ul style="list-style-type: none"> • Information on FSMCs operating within Arizona • Names of LEAs currently using FSMCs • State requirements and technical assistance if needed <p>3. Contact Other LEAs: Contact other LEAs using FSMCs for technical assistance.</p> <p><u>LEAs Procurement Responsibilities</u></p> <p>LEAs must comply with existing Federal, State and local procurement requirements when obtaining the services of a FSMC. Federal procurement requirements are found at 7 CFR Part 3016.36 and 3019.40. The NSLP regulations specified at 7 CFR Part 210, the SBP regulations specified at 7 CFR Part 220, the SMP regulations specified at 7 CFR Part 215 and regulations for the distribution of donated foods at 7 CFR Part 250. This guidance presents an overview of the Federal standards for LEAs.</p> <p>In contracting with a FSMC, the LEA will be responsible for settlement of all contractual and administrative issues arising out of the procurement. Additionally, the LEA should retain a sufficient number of qualified staff to coordinate, monitor, review, and control food service operations and to perform the responsibilities which must be executed by the LEA.</p> <p><u>Responsibilities Retained by the LEA</u></p> <p>While NSLP regulation 7 CFR 210.16 permits a LEA to contract with an FSMC to manage its school food service operations, the regulations prohibit delegation of certain duties. It is the LEA's responsibility to ensure its food service operation is in conformance with the LEA's agreement under the program. The LEA is responsible for the following:</p> <p>1. Preparation of Contract Documents: The LEA must prepare all contract documents issued prior to the award of the LEA-FSMC contract. These documents include, but are not limited to:</p> <ul style="list-style-type: none"> • Bid specifications • Invitation for bid (IFB) • Request for proposal (RFP) • LEA-FSMC contract, as applicable <p>Section 7 CFR 210.16(c)(3) specifically addresses the LEA's development of specifications for each food component or menu item and requires these specifications to be included in the IFBs or RFPs. Specifications must cover items such as grade, purchase units, style, condition, weight, ingredients, formulations, and delivery time.</p> |
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| <p>7 CFR 3016.36 7 CFR 3016.36 7 CFR 3019.40</p> | <p>In order to ensure objective contractor performance and eliminate unfair competitive advantage, a person that develops or drafts any of the following:</p> <ul style="list-style-type: none"> • IFB • RFP • RFP/IFB Specifications • RFP/IFB Requirements • RFP/IFB Statements of Work • Contract Terms and Conditions • And Other Documents |
| <p>7 CFR Part 210, 7 CFR Part 220, 7 CFR Part 215, 7 CFR Part 250</p> | <p>Shall be excluded from competing for such procurements that can be used by a LEA in conducting a procurement under the USDA entitlement programs specified in 7 CFR Part 3016.4(b).</p> |
| <p>7 CFR 210.16</p> | <p>2. Contract Review: The LEA ensures that ADE annually reviews each contract (including all supporting documentation) between the LEA and FSMC prior to execution of the contract to ensure compliance with all the provisions and standards set forth in Part 210 and Part 250, Subpart D.</p> |
| <p>7 CFR 210.16(c)(3)</p> | <p>An important change made by the procurement regulation is that all contracts must contain a provision clearly requiring that all costs to the program be net of applicable discounts, rebates, and applicable credits. LEAs should include the following provisions in all cost reimbursable contracts, including contracts with cost reimbursable provisions, and in solicitation documents prepared to obtain offers for such contracts: Only allowable costs will be paid from the non-profit school food service account to the contractor net of all discounts, rebates and other applicable credits accruing to or received by the contractor or any assignee under the contract, to the extent those credits are allocable to the allowable portion of the costs billed to the school food authority [210.21(f)(1)(i)].</p> |
| <p>7 CFR Part 3016.4(b)</p> | <p>3. Program Oversight: The LEA makes certain that the food service operation is in compliance with the LEAs agreement with ADE. The LEA is ultimately responsible to ensure the Food Program Permanent Service Agreement is followed and maintained during the entire contract term with ADE. The LEA is held responsible to resolve program reviews and audit findings.</p> <p>4. Monitoring: The LEA monitors the food service operation through periodic on-site visits including accordance with 7 CFR 250.51(d), assurance that the FSMC uses USDA donated foods or, as applicable, commercially purchased foods of the same generic identity, of U.S. origin, and of equal or better quality than the donated foods. [See 7 CFR Part 210.16(a)(3)]</p> |
| <p>Part 210 and Part 250 Subpart</p> | <p>5. Control the Quality, Extent and Nature of Food Service: The LEA must retain control of the quality, extent, and general nature of</p> |

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| <p>D</p> <p>7 CFR 210.21(f)(1)(i)</p> <p>7 CFR 210.16(c)(5), 210.21(b)</p> <p>7 CFR 210.16(a)(3) 250.51(d)</p> <p>7 CFR Part 210.16(a)(3)</p> <p>7 CFR Part 210</p> | <p>the food service and the prices to be charged to the children for meals. Such control must include:</p> <ul style="list-style-type: none"> • Retaining control of the non-profit school food service account and overall financial responsibility for the school nutrition programs • Establishing all prices for all meals served under the non-profit school food service account (e.g., pricing for reimbursable meals, a-la-carte food services and adult meals, as applicable) • Developing the 21-day cycle menu in accordance with the meal pattern requirements specified in 7 CFR Part 210 • Conveying menu adjustment requirements to the FSMC and monitoring implementation of those adjustments • Any refunds received from processors must be paid to the LEA <p>6. Signature Authority: The LEA retains signature authority on the agreement to participate in the NSLP, the SBP and the SMP, including the LEA's free and reduced-price policy statement and the monthly Claim for Reimbursement.</p> <p>7. Free and Reduced-price Meal Process: The LEA maintains responsibility for the implementation of free and reduced-price policy in accordance with 7 CFR Part 245. Such responsibilities include the conduct of any hearings related to such determinations and verification of household applications for free and reduced-price meals.</p> <p>8. USDA Donated Foods: The LEA retains title to USDA donated foods and ensures that all donated foods received by the LEA are made available to the FSMC. This includes processed donated foods, which must only to the benefit of the LEA's non-profit school food service and are fully utilized therein. Specifically, the LEA should:</p> <ul style="list-style-type: none"> • Evaluate the utilization of the donated food by the FSMC. Under cost-reimbursable contracts, this may include a review of production records and food cost documentation • Ensure the FSMC credits the LEA for the value of all donated foods received for use in the LEA's meal service in the school year or fiscal year. All forms of crediting must include clear documentation of the value received from the donated foods • Ensure the FSMC uses all donated ground beef, donated ground pork and all processed end products, in the LEA's food service • Ensure that when the contract terminates and is not extended or renewed, the FSMC returns all unused donated ground beef, donated ground pork and processed end products • Ensure the FSMC meets the CFR general requirements for the storage and inventory management of donated foods • Ensure the FSMC has a system of inventory management which does not result in the LEA being charged for donated foods under cost-reimbursable contracts <p>9. Health Certification: The LEA maintains applicable health</p> |
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| <p>7 CFR 210.16(a)(5)</p> <p>7 CFR Part 245</p> <p>7 CFR 250.51(a)(b)</p> <p>7 CFR 210.16(a)(7)</p> <p>7 CFR 210.16(a)(8)</p> <p>7 CFR 210.16(b)(1)</p> <p>7 CFR 210.8</p> | <p>certifications and assures that all State and local regulations are being met by a FSMC preparing or serving meals at a LEA facility.</p> <p>10. Establishment of an Advisory Board: The LEA must establish and maintain an advisory board composed of parents, teachers and students to give suggestions and help with menu planning.</p> <p>11. Development of the 21-day Cycle Menu: The LEA must develop a 21-day cycle menu in accordance with the meal pattern requirements specified in the CFRs for the FSMC proposal. The LEA must approve any changes to the cycle menu after the first 21 days of meal service.</p> <p>12. Internal Controls: The LEA applies the internal control procedures required by 7 CFR 210.8 to the preparation of the monthly Claim for Reimbursement.</p> <p>13. Reports: The LEA completes all reports as required by ADE.</p> |
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| 7 CFR 210.9(b)(20) | |
| | <p>Additional Information</p> <p>To contract FSMC services, a LEA must follow the steps detailed in “Contracting with a Food Service Management Company Guidance Manual.” It is critical that these steps are followed, as they are requirements set forth by the federal and state procurement regulations to participate in any of the CNP. Please refer to www.ade.az.gov/health-safety/cnp/nsfp/Operating/ContractingforMealService.asp for additional information.</p> <p>Note: There is a mandatory training for LEAs interested in outsourcing their food service operations for the first time or if a school decides to issue a new contract at the end of the current contract period. The LEA must receive prior approval from the Health and Nutrition Contract Management Officer before issuing the RFP/IFB or signing the contract.</p> |

Civil Rights Compliance

The Civil Rights assurance is included in the Food Service agreement executed by all sponsors participating in any of the Child Nutrition Programs. Please refer to the Food Service agreement for the specific citations.

Responsibilities of the Sponsor

1. Follow procedures and maintain any information on Civil Rights complaints and resolutions.
2. Sponsors who participate in the program **must** maintain on file the racial/ethnic makeup of the children applying and participating in the program. Please visit our website at: www.ade.az.gov/health-safety/cnp/CivilRights/Default.asp for a copy of the civil rights compliance document.
3. Make substitutions in the regular meal patterns for those children who are considered disabled under 7 CFR 15b and whose handicap restricts their diet in such a way that they cannot fully participate in the food service program without some modification.
4. Advise parents and guardians in the Parent Letter of the program requirements pertaining to children with disabilities.
5. Include the following nondiscrimination clause on any printed material or communications:

“In accordance with Federal law and U.S. Department of Agriculture policy, this institution is prohibited from discriminating on the basis of race, color, national origin, sex, age, or disability.

To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410 or call (800) 795-3272 (voice) or (202) 720-6382 (TTY). USDA is an equal opportunity provider and employer.”

If the material is too small to permit the full statement to be included, the material must include the following statement in print no smaller than the text:

“This institution is an equal opportunity provider.”

6. Inform parents or guardians of students as well as local minority and grassroots organizations of the availability of program benefits or services and the eligibility requirements. If you need to provide non-

English speaking persons with program information and translated forms, contact the Arizona Department of Education, Health and Nutrition Services office.

7. Display the nondiscrimination poster at each site in a prominent place where reimbursable meals are served.

Filing Discrimination Complaints

Any person alleging discrimination has a right to file a complaint *within 180 days of* the alleged discriminatory action. To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410 or call (800) 795-3272 (voice) or (202) 720-6382 (TTY). USDA is an equal opportunity provider and employer.

In the event that a complaint is made verbally, the person receiving the allegation shall write up the complaint to include as much of the following information as possible:

- a. Name, address, and telephone number or other means of contacting the complainant.
- b. The specific location and name of the entity delivering the program service or benefit.
- c. The nature of the incident(s) or action(s) that lead the complaint to be filed.
- d. The basis on which the complainant feels discrimination has occurred, i.e., race, color, national origin, sex, age or disability.
- e. The names, titles and addresses of persons who may have knowledge of the discriminatory action.
- f. The date(s) during which the alleged discriminatory action occurred,
or if continuing, the duration of such actions.

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| <p>Sec204 of Public Law 108-265 CN 19-06</p> <p>CFR210.12</p> | <p style="text-align: center;"><u>Local Wellness Policy</u></p> <p>As of July 2006, it is required that all Local Education Agencies (LEAs) implement a local wellness policy. The wellness policy shall contain the following areas at a minimum:</p> <ol style="list-style-type: none"> 1. Goals for <i>nutrition education, physical activity and other school-based activities</i> that are designed to promote student wellness in a manner that the local educational agency determines is appropriate; 2. <i>Nutrition guidelines</i> selected by the local educational agency for all foods available on each school campus under the local educational agency during the school day with the objectives of promoting student health and reducing childhood obesity; 3. <i>Guidelines for reimbursable school meals</i> which are no less restrictive than regulations and guidance issued by the USDA Child Nutrition Act; 4. A <i>plan for measuring implementation</i> of the local wellness policy including designation of one or more persons within the local educational agency or at each school, as appropriate, charged with operational responsibility for ensuring that each school fulfills the district's local wellness policy; 5. <i>Community involvement</i> including parents, students, and representatives of the school food authority, the school board, school administrators, and the public in the development of the local wellness policy. <p>For more information on the local wellness policy requirements go to: www.fns.usda.gov/tn/Healthy/wellness_policyrequirements.html.</p> <p style="text-align: center;">Student, Parent, Teacher And Community Involvement</p> <p>Sponsors are to promote activities that involve students and parents in the National School Lunch Program (NSLP). Such activities may include menu planning, enhancement of the eating environment, program promotion and related student-community support activities. Sponsors are encouraged to use the school food service program to teach students about good nutrition practices. School faculties and the general community should be involved in activities to improve the overall acceptability of the NSLP.</p> <p>Sponsors who use a food service management company must establish an advisory board of parents, teachers and students to assist in menu planning.</p> |
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| <p>OMB Circular A-133</p> <p>Subpart B Audits CN #22-06 §____.200 (a) Audit requirements.</p> <p>7CFR210.19</p> | <p style="text-align: center;"><u>Audits</u></p> <p>For fiscal years ending on or after June 30, 1997, audits of sponsors will be performed as required by the Single Audit Act, Amendments of 1996. OMB Circular A-128 applies to public schools and OMB Circular A-133 applies to private non-profit organizations. To comply with both circulars, the audit requirements are based on total federal assistance <u>expended</u>.</p> <p>The total federal assistance expended is the sum of total dollars expended from <u>any</u> federal source. (Example: Child Nutrition, Title 1, and Special Education.)</p> <ul style="list-style-type: none"> • Public schools expending \$500,000 or greater in total federal assistance must contract with a certified public accountant for an annual or biennial audit. A biennial audit must cover both years, • Public schools expending less than \$500,000 in federal assistance receive a procedural review by the Auditor General's office. • Private schools and non-profit institutions expending \$500,000 or greater in total federal assistance must contract with a certified public accountant for an audit to be performed annually or biennial. A biennial audit must cover both years. <p>In all instances cited above, a program specific audit may be performed in lieu of a single audit, if the sponsor expends awards under only one federal program and is not subject to laws, regulations or federal award agreements that require a financial statement audit. No federal audit requirement is imposed if federal expenditures from all sources is less than \$300,000. However, records must be available for review or audit (the state may still audit these monies) by appropriate officials of the federal agency, pass-through entity, and General Accounting Office.</p> <p style="text-align: center;"><u>Program Reviews</u></p> <p><u>School Meal Initiative (SMI)</u></p> <p>Sponsors will also receive a School Meals Initiative (SMI) visit along with their CRE. The purpose of the SMI evaluation is to work with the School Food Authority to determine whether they are meeting the federal guidelines for the Nutrient Goals and the Dietary Guidelines for Americans. The National School Lunch Program and School Breakfast Program meals must provide, on average over a week, one-third of the Recommended Dietary Allowances (RDA) for lunch and one-fourth of the RDA for breakfast for specific nutrients. SMI assistance includes feedback on the review of computerized nutrient analysis of one week of menus, production records, recipes, food preparation, convenience foods, and meal service in relationship to meeting the Nutrient Goals. If the review indicates that the program is not meeting the SMI Nutrition Goals, an action plan will be developed to address how changes can be made.</p> |
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Coordinated Review Effort (CRE)

The Coordinated Review Effort (CRE) was developed by the USDA to standardize the review process for all National School Lunch Programs. The CRE sets forth minimum Performance Standards to identify operational problems and standardized procedures for corrective action to achieve better program management of the National School Lunch Program.

Sponsors of the National School Lunch Program receive a CRE of their program once every five years, at a minimum. Reviews are generally conducted by the CNP office but may be conducted by USDA staff. Notification is given to the sponsor prior to the review date.

The review consists of two major sections: the Critical Areas and the General Areas. Fiscal action may be taken for violations found under either of these areas.

The Critical Areas cover:

- Each child's eligibility for free or reduced-price meals
- The system used for counting and claiming meals
- The required meal items/components

The General Areas cover:

- The free and reduced-price process, including verification
- Menu planning and service
- Civil rights compliance
- Monitoring responsibilities
- Reporting and record keeping requirements
- School Breakfast Program
- Food Distribution Program
- Food Safety
- Procurement
- After School Snack Program (if applicable)
- Arizona Nutrition Standards
- Local Wellness Policy

Sponsors with significant violations in the Critical Areas of the review are eligible for a follow-up review prior to December 31 of the next school year. During a follow-up review, the School Breakfast Program and Snack Program may also be reviewed if the sponsor participated in either of these programs.

According to 7 CFR 210.18(i) , the State agency shall withhold all Program payments to a school food authority if, on a follow-up review, the State agency finds a critical area violation which exceeded the review threshold on a previous review and continues to exceed the review threshold on a follow-up review.

Findings affecting claims for reimbursement may be appealed by following the CNP Appeals Procedure.

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| CN #10-09 | <p><u>Additional Administrative Reviews (AAR)</u></p> <p>Beginning in 2008, the USDA issued guidance to state agencies to increase the level of compliance monitoring of the NSLP by conducting Additional Administrative Reviews (AAR). The USDA set forth specific criteria for state agency use in selecting “high risk for error” sponsors for an Additional Administrative Review. The three factors were identified to indicate a “high risk for error criteria” in selecting LEAS’s for AARs.</p> <ul style="list-style-type: none"> • Establishment of a new Provision 2/3 base year since the previous CRE was conducted. • Verification data indicating a high-level (e.g. top 25% among SFAs within a State) of non-response or response-based terminations. • Consistently claiming over 90% free eligibles or 80% reduced-price eligibles. <p>The number of AARs to be conducted by the ADE each school year is based on by the number of sponsors and the total state reimbursement in Arizona. The LEAs selected for an AAR will be contacted by ADE. The AAR process is similar to the CRE process and can be considered an Abbreviated CRE which includes a review of household applications, certification, verification, meal counting and meal claiming procedures. These are the areas covered by CRE Performance Standard 1 (PS1) and the verification component of the General Areas of the CRE. The School Meals Initiative process is not part of the AAR process.</p> |
| 7CFR 210.18(q) | <p><u>National School Lunch Program Administrative Review Appeal Procedures</u></p> <p>The following National School Lunch Program (NSLP) administrative review procedures include notification, request, and procedure for a hearing in accordance with federal regulation.</p> |
| 7CFR 210.18(q) | <p>A. Purpose</p> <p>Sponsors of the NSLP may request administrative review of findings that result in:</p> <ul style="list-style-type: none"> • The denial of all or part of a claim for reimbursement. • Withholding of reimbursement payments arising from initial or follow-up administrative review activity. |
| 7 CFR 210.18(j) | <p>B. Procedure</p> <p>Notification, request, and procedure for hearing:</p> <ol style="list-style-type: none"> 1. Whenever the Arizona Department of Education (ADE) takes action that is subject to review as described in (A) above, ADE will provide the sponsor a written notice that details the action and the basis for the action, and advise the sponsor of its right to an appeal. 2. A written request for review must be submitted to ADE no later than 15 calendar days from the date the sponsor receives ADE’s written |
| 7 CFR 210.18(q)(1) | |

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| <p>7 CFR 210.18(q)(1) 7 CFR 210.18(q)(2)</p> <p>7 CFR 210.18(q)(2)</p> <p>7 CFR 210.18(q)(2)</p> <p>7 CFR 210.18(q)(3)</p> <p>7 CFR 210.18(q)(4)</p> <p>7 CFR 210.18(q)(5)</p> <p>7 CFR 210.18(q)(6)</p> | <p>review report. The original and one copy of the review request must be sent to:</p> <p style="padding-left: 40px;">Deputy Associate Superintendent, Health and Nutrition Arizona Department of Education 1535 West Jefferson Street, Bin #7 Phoenix, Arizona 85007</p> <p>The Deputy Associate Superintendent will forward the request to the review official.</p> <ol style="list-style-type: none"> 3. ADE shall acknowledge receipt of the request for an appeal within ten calendar days after receipt. 4. The sponsor may refute the action specified in the Notice, described in Section (B)(1), in person and by written documentation. In order to be considered, written documentation must be filed by the sponsor and ADE with the review official and must be exchanged between ADE and the sponsor no later than 30 calendar days after the sponsor receives the Notice. Written documentation must clearly identify the ADE action being reviewed and must include a photocopy of the notice of action issued by ADE. 5. The sponsor may retain legal counsel or may be represented by another person. A representative of ADE and legal counsel, if desired, must be allowed to attend the hearing to respond to the testimony presented by the sponsor and to answer questions posed by the review official. 6. The review official will hold a hearing in addition to, or instead of, a review of written information submitted by the sponsor only if the sponsor requests a hearing in the written request for review. Failure to appear at a scheduled hearing will constitute the sponsor's waiver of the right to a personal appearance before the review official, unless the review official agrees to reschedule the hearing. 7. If a hearing is requested, the sponsor and ADE must be provided with at least 10 calendar days advance written notice of the time, date, and place of the hearing. The Notice to the sponsor must be sent by certified mail, return receipt requested. 8. Any information on which ADE's action was based will be available to the sponsor for inspection from the date of receipt of the request for review. 9. The review official shall be independent and impartial, but may be an employee of ADE, although he/she must not have been involved in the action that is the subject of the appeal or be accountable to any person authorized to make decisions that are subject to review as described in Section (A). The sponsor is permitted to contact the review official directly if so desired. 10. The review official must make a determination based solely on information provided by ADE, the sponsor, and based on federal and state laws, regulations, policies, and procedures governing the program. The review official will not base the decision on arguments |
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| <p>7 CFR 210.18(q)</p> <p>7CFR 210.18(q)(8) 7 CFR 210.18(q)(9)</p> | <p>made by legal counsel or the sponsor's representative, nor may legal counsel offer testimony on behalf of the sponsor or ADE.</p> <p>11. Within 60 calendar days from the date ADE receives a request for review, the review official must inform ADE and the sponsor of the review determination. The final decision shall be sent to the sponsor by certified mail, return receipt requested. The final determination shall take effect upon the sponsor's receipt of the written notice of the final decision. The 60 day deadline may be extended for good cause at the discretion of the review official, but the final decision must be made within 120 calendar days from the date ADE receives a request for review.</p> <p>12. ADE's action will remain in effect during the review process.</p> <p>13. The determination by the state review official is the final administrative determination to be afforded to the sponsor.</p> |
| <p>7 CFR 210.18(q) CN 10-09</p> | <p>Appeal procedures are included in 7 CFR § 210.18(q). The Code of Federal Regulations should be consulted for additional rules regarding the administrative review process.</p> <p>If you have any questions regarding these procedures, please contact Health and Nutrition Services at 602.542.8700.</p> <p style="text-align: center;"><u>Recordkeeping Requirements</u></p> <p><u>Summary of Requirements</u> Throughout the year, a variety of reports and records must be completed.</p> <p><u>Record Retention</u> Sponsors must keep complete and accurate records of the food service program to serve as a basis for claims for reimbursement and for audit and review purposes. All records, including free and reduced-price household applications, must be retained for five years after the fiscal year for which they pertain. However, if audit findings have not been resolved, the records must be retained beyond the five-year period as long as required for resolution of the issues raised by the audit. Sponsors on Special Assistance are required to retain base year records for five years, or until a new base year is established. Tickets must be retained for one year after the fiscal year for which they apply.</p> |

Program Resources

A variety of resources exist to help provide training to food service staff and nutrition education to students. These resources also provide assistance for implementation the National School Lunch, School Breakfast, and Special Milk Programs.

CNP Guidance Materials

The following guidance materials are available from the CNP office (those noted as "FNS-###" are publications from USDA): You may access many of these publications from the School Health and Nutrition Program web site under [NSLP/SBP Guidance Manuals](#) at:

www.ade.az.gov/health-safety/cnp/nslp/GuidanceManual/

- *Accommodating Children With Special Dietary Needs in School Nutrition Programs*
- *Child Nutrition Programs Guidance Manual for Residential Child Care Institutions*
- *Dietary Guidelines for Americans (USDA pamphlet in English)*
- *Eligibility Guidance for School Meals Manual and video (FNS-274)*
- *Facts About USDA Foods*
- *Food Buying Guide for Child Nutrition Programs*
- *Food Management Company Guidance Manual for School Food Authorities*
- *Free and Reduced-Price Policy Handbook*
- *Healthy School Meals Training*
- *Meal Counting and Claiming Manual and video (FNS-270)*
- *Meal Pattern Requirements and Offer vs. Serve Manual and Video (FNS-265)*
- *Menu Planning Guide for School Food Service (FNS-1260)*
- *Menu Workbook and Food Buying Guide*
- *OMB Circular A-110*
- *Processing Catalog*
- *Quantity Recipes for School Food Service (FNS-1371)*
- *Special Assistance Guidance Manual*
- *Special Milk Program Manual*
- *Tool Kit for Healthy School Meals*

CNP Training Workshops

NSLP introductory workshops are offered by the Arizona Department of Education on a continuous schedule for new school food service personnel and business staff. The introductory workshop covers all areas of the NSLP program. It is required for all new sponsors to the program, as well as continuing sponsors that may have new staff responsible for the food service program. Enrichment workshops are also offered throughout the school year on topics such as, meal planning, understanding the financial requirements,

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| | <p>web based claiming, and more. Workshop schedules are sent to program administrators on an annual basis. All registrations are to be completed online.</p> <p><u>Professional Development</u></p> <p>The Arizona Department of Education offers technical assistance to help staff meet professional development goals. In addition, various workshops are offered throughout the year that provides training to help sponsors operate the Child Nutrition Programs to their greatest potential. Information about these workshops are sent directly to sponsors. Recommended training pathways, known as SUCCESS, for personnel are available from ADE and are in alignment with the School Nutrition Association (SNA)'s requirements for certification. For more information, please contact your School Health and Nutrition Program Specialist. All registration for Professional Development is completed online.</p> <p><u>Nutrition Education Resources</u></p> <p><u>National Organizations</u></p> <p>1. Food and Nutrition Information Center (FNIC) Agricultural Research Service, USDA National Agricultural Library, Room 105 10301 Baltimore Avenue Beltsville, MD 20705-2351 Phone: 301-504-5414 Fax: 301-504-6409 TTY: 301-504-6856 E-mail: fnic@nal.usda.gov Web site: www.nal.usda.gov/fnic/</p> <ul style="list-style-type: none"> • FNIC has a large number of resources on topics such as weight control, child and adolescent nutrition, and many others. All of them can be borrowed for 30 days, free-of-charge, for preview or actual classroom use. <p>2. National Food Service Management Institute (NFSMI) The University of Mississippi 6 Jeanette Phillips Drive P.O. Drawer 188 University, MS 38677-0188 Telephone: (662) 915-7658 or toll free at (800) 321-3054 FAX: (800) 321-3061 E-Mail: nfsmi@olemiss.edu Web site: www.nfsmi.org</p> <ul style="list-style-type: none"> • The NFSMI is located at the University of Mississippi and serves the school food service industry by conducting research, providing education and training, and operating a clearinghouse. A list of resources is available from NFSMI. |
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3. The American Dietetic Association (ADA)

American Dietetic Association 120 South Riverside Plaza, Suite 2000
Chicago, IL 60606-6995

Phone: 800/877-1600 1-800-366-1655 (Nutrition Information Line)

Fax (312) 899-1739

Web site: www.eatright.org

- The ADA provides information about food and nutrition to consumers, dietitians, industry, media, and health care professionals.

4. American Association of Family and Consumer Sciences

1555 King Street Suite 400 Alexandria, VA 22314

Phone: 703-706-4600 or 1-800-424-8080

Fax: 703-706-4663

E-mail: staff@aafcs.org.

Web site: www.aafcs.org 13.4

5. Food Research and Action Center (FRAC)

1875 Connecticut Ave., NW, Suite 540

Washington, DC 20009

Phone: (202) 986-2200

Fax: (202) 986-2525

e-mail: webmaster@frac.org

Web site: www.frac.org

6. School Nutrition Association (SNA)

700 S. Washington St., Suite 300

Alexandria, VA 22314

Phone: 1-800-877-8822 or (703) 739-3900

Fax: (703) 739-3915

E-mail: servicecenter@schoolnutrition.org

Web site: www.asfsa.org

Local Organizations:

1. American Cancer Society (ACS), Arizona Division

2929 East Thomas

Phoenix, AZ 85016

1-800-227-2345 or (602) 224-0880

Fax: (602) 224-7466

Web site: www.cancer.org

2. American Heart Association (AHA), Arizona Affiliate

2929 South 48th St.

Tempe, AZ 85282

(602) 414 – 5353

Fax: (602) 414-5355

Web site: www.americanheart.org

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| | <p>3. Arizona Cooperative Extension University of Arizona Tucson, AZ 85721 Phone: (520) 621-7205 Web site: www.ag.arizona.edu</p> <p>4. Maricopa County Cooperative Extension 4341 East Broadway Rd. Phoenix, AZ 85040-8807 Phone: 602-827-8200 Fax: 602-827-8292 Web site: www.ag.arizona.edu/maricopa</p> <p>5. Dairy Council of Arizona 2008 South Hardy Drive Tempe, AZ 85282 Phone: (480) 966-7211 Fax: (480) 829-7491 Web site: www.DairyCouncilofAZ.org</p> <p>6. Arizona Department of Health Services (ADHS) Office of Nutrition Services 150 N. 18th Avenue Suite 310 Phoenix, AZ 85007 Phone: (602) 542-1214 Toll Free: 1-888-542-1886 (602) 542-1890 Fax Web site: www.hs.state.az.us</p> <p>7. Food Service and Environmental Health 150 N. 18th Avenue, Suite 430 Phoenix, AZ 85007 Phone: (602) 364-3118 (602) 364-3146 Fax Website: http://www.azdhs.gov/phs/oeh/fses/</p> <p>8. Arizona Beef Council 1401 North 24th St., Suite 4 Phoenix, AZ 85008 (602) 273-7163 Fax: (602) 220-9833 Web site: www.arizonabeef.org</p> |
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| | <p>9. Arizona Dietetic Association P.O. Box 10344 Phoenix, AZ 85064 602-955-4451 E-mail: AzDietetic@aol.com Web site: www.eatrightarizona.org/index.cfm</p> <p>10. Arizona School Nutrition Association 2100 North Central Ave, Suite 200 Phoenix, AZ 85004 (602) 254-1100 E-mail: azsfsa@cox.net Web site: www.snaaz.org</p> |
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Glossary

After School Snack Program (ASCS): snacks served to any child after their regular school day ends. ASCS must be operated by the school district and provide regularly scheduled activities in an organized, structured and supervised environment and include educational or enrichment activities. The program must be open to all students.

Cash Assistance Unit (CA): any individual or group of individuals currently certified to receive assistance under the Cash Assistance Program in a State where the standard of eligibility for benefits does not exceed the income eligibility guidelines for free meal or milk benefits.

Cashier: an individual who takes tickets, cash or other medium of exchange from students receiving free, reduced-price or paid meals. The term "cashier" is also used to reflect the individual who, through use of a roster, checklist, computerized identification system or other non-cash medium of exchange, identifies the eligibility status of students receiving free meals or milk, reduced-price meals and paid meals or milk.

Categorical Eligibility: All homeless, runaway, and migrant children are categorically eligible for free meals once identified by a homeless education liaison, shelter director, migrant education coordinator, or other appropriate official. Once identified, such children do not have to submit an household application to receive free meals.

Claim: online form sponsors submit to request reimbursement for meals served.

CFR: Code of Federal Regulations. Child Nutrition Program regulations are contained in title 7 of the Code of Federal Regulations.

Distributor: vendor who sells, bills, and delivers food.

Direct Certification: the process of establishing children's eligibility for benefits by obtaining documentation directly from the Department of Economic Security (DES). Households determined eligible for meal or milk benefits through direct certification are not required to submit a free and reduced-price household application to the school; sponsors in Arizona have access to CNP Direct Certification System through the ADE Common Logon that allows them to download and verify students receiving DES benefits.

Food Distribution Program on Indian Reservations (FDPIR): a federal program that provides USDA Food foods to low income households living on Indian Reservations.

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| | <p>Food and Nutrition Service (FNS): agency within the U.S. Department of Agriculture which is responsible for administering the National School Lunch Program, School Breakfast Program, Special Milk Program, Food Distribution Program and other food assistance programs.</p> <p>Food Distribution Program (FDP): program under which participating schools operate a non-profit lunch program and receive donated food assistance in lieu of general cash assistance.</p> <p>Free Meal: a meal served under the National School Lunch or School Breakfast Program to a child from a household eligible for such benefits under 7 CFR Part 245 and for which neither the child nor any member of the household pays or is required to work in the school or in the school's food service.</p> <p>Free Milk: milk served under the Special Milk Program to a child from a household eligible for free milk under 7 CFR Part 245 and for which neither the child nor any member of the household pays or is required to work in the school or in the school's food service.</p> <p>Income Eligible: any child from a household whose current income is at or below the household size/income limits set forth in the Income Eligibility Guidelines (INCOME ELIGIBILITY GUIDELINESs) is eligible for either free or reduced-price meals or free milk, as applicable. Such households MUST provide household size and income information on the household application for free and reduced-price meals or free milk to enable school officials to compare the household information to the INCOME ELIGIBILITY GUIDELINESs.</p> <p>IEGs (Income Eligibility Guidelines): the household size and income levels prescribed annually by the Secretary of Agriculture for determining eligibility for free and reduced-price meals and for free milk.</p> <p>LEA (Local Education Agency): the governing body which is responsible for the administration of one or more schools and either has the legal authority to operate the Program in these schools or is otherwise approved by the Food and Nutrition Service to operate the Program.</p> <p>NSLP (National School Lunch Program): program under which participating organizations serving school age children operate a non-profit food service receive general and special cash assistance and donated food assistance in accordance with 7 CFR Part 210.</p> <p>Non-Pricing Program: all meals are provided free to all enrolled students despite their eligibility status. Meals are claimed for reimbursement by the students' eligibility status.</p> |
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| | <p>Offer versus Serve (OVS): provision to allow students to select options from the food items provided, mandatory for grades 9-12.</p> <p>Offset: amount deducted from sponsors' claims for amounts receivable.</p> <p>Overt Identification: any act that openly identifies children as eligible for free or reduced-price benefits in the National School Lunch, School Breakfast or Special Milk Programs.</p> <p>Reduced-Price Meal: a meal served under the National School Lunch or School Breakfast Program to a child from a household eligible for such benefits under 7 CFR Part 245. The price of this meal MUST be less than the full price of the meal and no more than 40 cents per lunch and 30 cents per breakfast. Neither the child nor any household member can be required to work in the school or in the school's food service to supplement the cost of the meal.</p> <p>RCCI (Residential Child Care Institution): any distinct part of a public or non-profit private institution which (1) maintains children in residence, (2) operates principally for the care of children and (3) if private, is licensed by the State or local government to provide residential childcare services under the appropriate licensing code.</p> <p>SAIS: The Student Accountability Information System (SAIS) is an administrative household application that collects student detail information using the Internet. SAIS enables schools to electronically submit raw student and school data for data processing and reporting. SAIS provides essential information to educators, legislators and parents about the budgets, expenditures, and achievement levels of schools. All Local Education Agencies (LEAs) – school districts and charter holders – are required to submit student detail information to the SAIS database.</p> <p>SBP (School Breakfast Program): program under which participating schools operating a non-profit food service receive cash assistance in accordance with 7 CFR Part 220.</p> <p>SNP (School Nutrition Programs): National School Lunch Program, School Breakfast Program, Special Milk Program and Food Distribution Program.</p> <p>School Official: a designated official who represents a governing body, (i.e., principal, superintendent or other administrators).</p> <p>SMP (Special Milk Program): program under which participating schools operating a non-profit milk program receive cash assistance for each half-pint of milk served in accordance with 7 CFR Part 215.</p> |
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| | <p>7 CFR Part 245: regulations governing the determination of eligibility for free and reduced-price meal benefits in the National School Lunch and School Breakfast Programs and for free milk in the Special Milk Program.</p> <p>Special Assistance Certification and Reimbursement Alternatives: three optional alternatives for free and reduced-price meal household application and claiming procedures in the National School Lunch and School Breakfast Programs. For further guidance, contact the Arizona Department of Education, Child Nutrition Programs.</p> <p>State Agency (SA): Arizona Department of Education, School Health & Nutrition Programs.</p> <p>Supplemental Nutrition Assistance Program (SNAP): SNAP helps low-income people and families buy the food they need for good health. SNAP is the cornerstone of the Federal food assistance programs, and provides crucial support to needy households and to those making the transition from welfare to work. (Households utilizing this program, formally SNAP program, would be categorically eligible for free benefits.)</p> <p>Temporary Assistance for Needy Families (TANF): provides assistance and work opportunities to needy families by granting states the federal funds and wide flexibility to develop and implement their own welfare programs. TANF benefits or services include the following:</p> <ul style="list-style-type: none"> • Cash Assistance (CA), which may include, but is not limited to the following: <ul style="list-style-type: none"> ○ CA Grant Diversion, Kinship Care, Kinship Foster Care, Legal Permanent Guardian, Tribal TANF programs, Child Care services identified by CCA and Jobs Administration services. <p>USDA (United States Department of Agriculture): Federal agency designated by Congress to administer the National School Lunch, School Breakfast and Special Milk Programs.</p> |
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Exhibit A

NSL "B" Commodity Survey 1080

[Help](#)

Planned Usage SY11

Training Customer 02 (010208000)

| Survey and Entitlement Details | | | | | |
|--------------------------------|------------|--------------------------|-------------|--------------------------|-------------|
| Survey Number: | 1080 | A Entitlement: | \$45,760.00 | B Entitlement: | \$19,611.00 |
| Program Year: | 2011 | A Entitlement Used: | \$0.00 | B Entitlement Used: | \$0.00 |
| Survey Date: | 12/14/2009 | A Entitlement Remaining: | \$45,760.00 | B Entitlement Remaining: | \$19,611.00 |
| Due Date: | 5/12/2010 | A Bonus Used: | \$0.00 | B Bonus Used: | \$0.00 |

| Special Instructions | |
|--|--|
| <p>This is your Planned Usage Survey that identifies your Group B commodities that will be delivered into the state warehouse throughout SY 2011. DUE DATE IS NO LATER THAN 2-12-10. Please remember that both the planned usage survey and the cheese processing survey draw from the Group B entitlement. Therefore, combine your planned usage with your cheese survey to ensure you have not exceeded your Group B entitlement PRIOR to submitting the surveys. If you need money moved to/from Group A/B, please e-mail your request to FDP@azed.gov.</p> | |

| Commodities & Units | Calculations | Comments | | | | | | | | | |
|--|--|--|--|-----------|-----------|--------|---|---|--------|--------|--------|
| B028 - CHEESE CHEDD WHITE REDU FAT SHRED | | | | | | | | | | | |
| Sponsor Requests: Aug 10: <input type="text" value="0"/> Sep 10: <input type="text" value="0"/> Oct 10: <input type="text" value="0"/> Nov 10: <input type="text" value="0"/> Dec 10: <input type="text" value="0"/> Jan 11: <input type="text" value="0"/> Feb 11: <input type="text" value="0"/> Mar 11: <input type="text" value="0"/> Apr 11: <input type="text" value="0"/> | ADE Allocations: Aug 10: 0 Sep 10: 0 Oct 10: 0 Nov 10: 0 Dec 10: 0 Jan 11: 0 Feb 11: 0 Mar 11: 0 Apr 11: 0 | Pack Size: 6/5#LB Unit Value: \$48.20 <table border="1"> <thead> <tr> <th></th><th>Requested</th><th>Allocated</th></tr> </thead> <tbody> <tr> <td>Units:</td><td>0</td><td>0</td></tr> <tr> <td>Value:</td><td>\$0.00</td><td>\$0.00</td></tr> </tbody> </table> Optional Comments: | | Requested | Allocated | Units: | 0 | 0 | Value: | \$0.00 | \$0.00 |
| | Requested | Allocated | | | | | | | | | |
| Units: | 0 | 0 | | | | | | | | | |
| Value: | \$0.00 | \$0.00 | | | | | | | | | |
| B031 - CHEESE CHEDD YELLOW SHRED | | | | | | | | | | | |
| Sponsor Requests: Aug 10: <input type="text" value="0"/> Sep 10: <input type="text" value="0"/> Oct 10: <input type="text" value="0"/> Nov 10: <input type="text" value="0"/> Dec 10: <input type="text" value="0"/> Jan 11: <input type="text" value="0"/> Feb 11: <input type="text" value="0"/> Mar 11: <input type="text" value="0"/> Apr 11: <input type="text" value="0"/> | ADE Allocations: Aug 10: 0 Sep 10: 0 Oct 10: 0 Nov 10: 0 Dec 10: 0 Jan 11: 0 Feb 11: 0 Mar 11: 0 Apr 11: 0 | Pack Size: 6/5# Unit Value: \$48.20 <table border="1"> <thead> <tr> <th></th><th>Requested</th><th>Allocated</th></tr> </thead> <tbody> <tr> <td>Units:</td><td>0</td><td>0</td></tr> <tr> <td>Value:</td><td>\$0.00</td><td>\$0.00</td></tr> </tbody> </table> Optional Comments: | | Requested | Allocated | Units: | 0 | 0 | Value: | \$0.00 | \$0.00 |
| | Requested | Allocated | | | | | | | | | |
| Units: | 0 | 0 | | | | | | | | | |
| Value: | \$0.00 | \$0.00 | | | | | | | | | |
| B032 - CHEESE CHEDD WHITE SHRED | | | | | | | | | | | |
| Sponsor Requests: Aug 10: <input type="text" value="0"/> Sep 10: <input type="text" value="0"/> Oct 10: <input type="text" value="0"/> Nov 10: <input type="text" value="0"/> Dec 10: <input type="text" value="0"/> Jan 11: <input type="text" value="0"/> Feb 11: <input type="text" value="0"/> Mar 11: <input type="text" value="0"/> Apr 11: <input type="text" value="0"/> | ADE Allocations: Aug 10: 0 Sep 10: 0 Oct 10: 0 Nov 10: 0 Dec 10: 0 Jan 11: 0 Feb 11: 0 Mar 11: 0 Apr 11: 0 | Pack Size: 6/5# Unit Value: \$48.20 <table border="1"> <thead> <tr> <th></th><th>Requested</th><th>Allocated</th></tr> </thead> <tbody> <tr> <td>Units:</td><td>0</td><td>0</td></tr> <tr> <td>Value:</td><td>\$0.00</td><td>\$0.00</td></tr> </tbody> </table> Optional Comments: | | Requested | Allocated | Units: | 0 | 0 | Value: | \$0.00 | \$0.00 |
| | Requested | Allocated | | | | | | | | | |
| Units: | 0 | 0 | | | | | | | | | |
| Value: | \$0.00 | \$0.00 | | | | | | | | | |

Exhibit B

New Order

New Order grouped by Allocation

Process

Print

New Delivery Date: Monday, May 3, 2010

Site Name: Training Delivery Site

Site Type: Prep Site

Site Address: 2534 Training St.

Site Contact: Iam A. Contact
(602) 111-1111
TrainingSiteUser@domain.com

Anywhere, AZ 85000

| Commodity | | | | Allocation | | | | | Order |
|-----------|--------------------------------|---------------|-------|----------------|------------|-----------|-----------|-----------|----------|
| Code | Description | Pack Size | Cost | ID | Close Date | Ref Date | Qty Alloc | Qty Avail | Quantity |
| | | | | NOAL076-AENT | 4/15/2010 | 3/16/2010 | 7 | 7 | |
| A416 | PEACHES, FREESTONE, DICED, FRZ | 96/4.4 OZ CUP | 30.26 | | | | 3 | 3 | 0 |
| A433 | PEARS SLICED CND | 6/#10 CAN | 25.44 | | | | 1 | 1 | 0 |
| A565 | TURKEY TACO FILLING | 1/30# | 41.10 | | | | 2 | 2 | 0 |
| A627 | BEEF PATTIES LEAN | 1/40# CTN | 85.56 | | | | 1 | 1 | 0 |
| | | | | NOAL079-AENT | 4/22/2010 | 3/23/2010 | 38 | 38 | |
| A350 | APPLESAUCE CND | 6/#10 CAN | 22.09 | | | | 18 | 18 | 0 |
| A470 | MIXED FRUIT CANNED | 6/#10 CAN | 30.03 | | | | 20 | 20 | 0 |
| | | | | NOAL080-BBONUS | 4/22/2010 | 3/23/2010 | 9 | 9 | |
| B386 | Milk 1% UHT WHITE SHELF STABLE | 27/8 OZ | 9.33 | | | | 9 | 9 | 0 |
| | | | | NOAL081-AENT | 4/26/2010 | 3/25/2010 | 38 | 38 | |
| A160 | PEAS GREEN FRZ | 1/30# CTN | 21.24 | | | | 16 | 16 | 0 |
| A408 | PEACHES CLINGSTONE SLC CND | 6/#10 CAN | 27.82 | | | | 11 | 11 | 0 |
| A409 | PEACHES CLINGSTONE DICED CND | 6/#10 CAN | 28.51 | | | | 11 | 11 | 0 |
| | | | | NOAL082-AENT | 4/29/2010 | 3/30/2010 | 15 | 15 | |
| A515 | CHICKEN CUT-UP FRZ | 40 LB CTN | 30.97 | | | | 5 | 5 | 0 |
| A563 | CHICKEN FAJITA STRIPS | 30 LB CTN | 58.61 | | | | 5 | 5 | 0 |
| A565 | TURKEY TACO FILLING | 1/30# | 41.10 | | | | 5 | 5 | 0 |
| | | | | NOAL083-ABONUS | 4/29/2010 | 3/30/2010 | 6 | 6 | |
| A293 | CHERRIES DRIED | 4/4# | 67.64 | | | | 6 | 6 | 0 |
| | | | | NOAL084-AENT | 5/6/2010 | 4/6/2010 | 6 | 6 | |
| A548 | TURKEY HAMS | 40LB CTN | 57.41 | | | | 6 | 6 | 0 |
| | | | | NOAL085-ABONUS | 5/6/2010 | 4/6/2010 | 2 | 2 | |
| A350 | APPLESAUCE CND | 6/#10 CAN | 22.09 | | | | 2 | 2 | 0 |
| | | | | NOAL086-ABONUS | 5/10/2010 | 4/8/2010 | 6 | 6 | |

Exhibit C

Processing Arrangements Value Pass Through

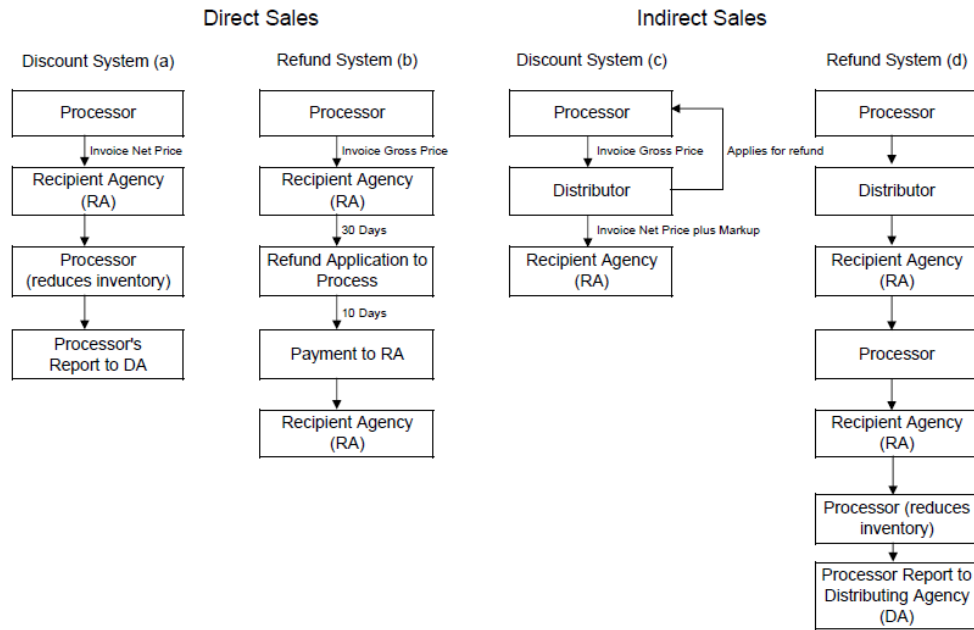


Exhibit D

Value Of Commodities - State Warehouse (for AFR) from 9/1/2008 to 9/30/2008

Commodities Shipped to Recipient Agency

Sponsor: Training Customer 02 CTDS: 010208000

Program: All

Delivery Site: All

| Commodity Code | Commodity Description | Shipped Date | Units | Commodity Value | Extended Value |
|---------------------------|-----------------------|--------------|-------|-----------------|----------------|
| September 2008 | | | | | |
| A608 | BEEF 40 | 9/17/2008 | 4 | \$56.10 | \$224.40 |
| A626 | PATTIES RAW BEEF 40 | 9/17/2008 | 40 | \$62.82 | \$2,512.80 |
| A526 | CHIX BRD 7 PC | 9/17/2008 | 21 | \$46.40 | \$974.40 |
| A537 | TURKEY ROASTS | 9/17/2008 | 10 | \$89.22 | \$892.20 |
| A627 | PATTIES LEAN 40 | 9/17/2008 | 4 | \$66.50 | \$266.00 |
| A727 | HAM CKD CUBED FRZ | 9/17/2008 | 4 | \$91.94 | \$367.76 |
| A100 | CARROTS 10 | 9/17/2008 | 4 | \$14.61 | \$58.44 |
| A548 | TURKEY HAMS | 9/17/2008 | 8 | \$55.31 | \$442.48 |
| A204 | ROUNDS | 9/24/2008 | 5 | \$13.63 | \$68.15 |
| A210 | POTATOES OVEN | 9/24/2008 | 5 | \$14.79 | \$73.95 |
| A360 | APRICOTS 10 | 9/24/2008 | 8 | \$19.88 | \$159.04 |
| A408 | PEACHES CLING SLC | 9/24/2008 | 7 | \$19.41 | \$135.87 |
| A433 | PEARS SL | 9/24/2008 | 4 | \$20.22 | \$80.88 |
| A470 | FRUIT MIX 10 | 9/24/2008 | 7 | \$20.05 | \$140.35 |
| A515 | CHIX CUT UP | 9/24/2008 | 3 | \$26.48 | \$79.44 |
| A549 | TURKEY BREAST DELI | 9/24/2008 | 9 | \$124.65 | \$1,121.85 |
| A563 | CHIX FAJITA | 9/24/2008 | 5 | \$64.79 | \$323.95 |
| A568 | EGGS WHOLE 5 | 9/24/2008 | 5 | \$26.26 | \$131.30 |
| A173 | POTATO WDG FAT FREE | 9/17/2008 | 12 | \$13.65 | \$163.80 |
| A204 | ROUNDS | 9/17/2008 | 5 | \$13.63 | \$68.15 |
| A237 | SALSA | 9/17/2008 | 4 | \$15.34 | \$61.36 |
| A241 | TOMATOES DICED | 9/17/2008 | 3 | \$12.95 | \$38.85 |
| A408 | PEACHES CLING SLC | 9/17/2008 | 4 | \$19.41 | \$77.64 |
| A409 | PEACHES CLING DICE | 9/17/2008 | 7 | \$19.25 | \$134.75 |
| A417 | Strawberry Cup Fzn | 9/17/2008 | 12 | \$32.50 | \$390.00 |
| A431 | PEARS HALVES | 9/17/2008 | 2 | \$21.05 | \$42.10 |
| A517 | CHIX DICED | 9/17/2008 | 9 | \$88.80 | \$799.20 |
| A Entitlement: | | | 211 | | \$9,829.11 |
| Total for September 2008: | | | 211 | | \$9,829.11 |
| Total for Sponsor: | | Units: | 211 | Value: | \$9,829.11 |

Index

| Subject: | Pages |
|--|--------------|
| Acronyms and Definitions | 12 |
| Additional Administrative Review (AAR) | 173-174 |
| After School Care Snack Program | 9 |
| After School Snack Program | 61-62 |
| Age Requirement | 61 |
| Agreements of Understanding | 96 |
| A-la-carte | 109-110 |
| Alternate Menu Planning Approach | 45 |
| Appeals | 87 |
| Arizona Agriculture Day | 11 |
| Arizona Nutrition Standards | 49-50 |
| Arizona School Food Service Association | 11 |
| Assisted Nutrient Standard Menu Planning | 39 |
| Attendance Factor | 125-126 |
| Audits | 172 |
| Bad Debts | 120 |
| Basic Requirements | 64 |
| Benefits Prior to Processing Certification | 68-69 |
| Budgets | 107 |
| Buy American Provision | 144 |
| Case Number Eligible | 70 |
| Cash Controls | 116 |
| Cash for Reduced-Price Meals in Serving Line | 119 |
| Cash Management and Accounts | 116 |
| Categorically Eligible | 69 |
| Categorically Eligible Programs | 98 |
| Catering Contracts | 106-161 |
| Change Fund Account | 117-118 |
| Charges for Meals | 120 |
| Checking the Reimbursement Claim | 125 |
| Child and Adult Care Food Program | 10 |
| Child Classification | 74-76 |
| Child Nutrition Act | 7 |
| Children Residing in Homeless Shelters | 86 |
| Citizenship | 70 |
| Civil Rights Compliance | 168 |
| Clearing Accounts | 117 |
| CNP Guidance Materials | 177 |

| | |
|--|---------|
| CNP Training Workshops | 177 |
| Combined Claims | 124 |
| Commercial Distribution | 149 |
| Communication | 158 |
| Comparison of Staffing to Guidelines | 114 |
| Competitive Foods | 48 |
| Complete Household application | 70-73 |
| Computation of Indirect Cost | 131 |
| Computer Generated Rosters | 90 |
| Computing Excess Cash | 129 |
| Consent Statement Requirements | 97 |
| Coordinated Review Effort (CRE) | 172-173 |
| Costing out a School Meal Example | 112 |
| Creditable Food Requirements | 31 |
| Criteria for Eligibility for After School Care Snack Program | 16 |
| Daily Cash Count Example | 121 |
| Daily Report / Edit Check Example | 106 |
| Daily Reporting | 102 |
| Day Students | 106 |
| Denial of Meals | 59 |
| Designated Hours | 58 |
| Determining Household Income | 77-79 |
| Determining Household Size | 73 |
| Direct Certification | 99 |
| Direct Costs | 130 |
| Disclosure of Protected Information | 92-95 |
| Donated Food Processing Programs | 154-155 |
| Due Dates | 124 |
| Electronically Scanned and Stored Household Applications | 89-90 |
| Eligibility Changes | 87 |
| Eligibility Criteria | 69-70 |
| Eliminating Excess Cash | 129 |
| Enhanced Meal Pattern | 27-30 |
| Enhanced Menu Pattern Goals | 20 |
| Entitlement | 148 |
| Even Start | 98 |
| Excess Storage | 151 |
| Exhibits | 186-189 |
| Family Members Living Apart | 76-77 |
| Family Style Service | 59-60 |
| Field Trips | 59 |
| Filing Discrimination Complaints | 169 |
| Food Based Menu Planning Approach | 23 |

| | |
|---|---------|
| Food Distribution on the Internet | 147 |
| Food Distribution Program | 10 |
| Food Distribution System | 146 |
| Food of Minimal Nutritional Values | 47-48 |
| Food Purchased for Food Service Programs | 142 |
| Food Purchased for Personal Use | 142 |
| Food Sales Tax | 115 |
| Food Service Annual Financial Report Requirement | 127 |
| Food Service Cash Reconciliation | 122 |
| Food Service Management Company Procurement | 163-167 |
| Food Service Staffing Guidelines | 111 |
| Foreign Language Translation | 65-66 |
| Foster Children's Eligibility | 70 |
| Free and Reduced-Price Policy | 64 |
| Free and Reduced-price Policy Statement | 15 |
| Free and Reduced-Price Process Best Practice | 66 |
| Free and Reduced-Price Reimbursement | 66-67 |
| GED Programs | 63 |
| General Procurement Procedures | 136 |
| Glossary | 182-185 |
| Guidelines and Classification for K-8 | 55-57 |
| Hazard Analysis and Critical Control Points | 171 |
| Head Start | 98 |
| Household application Approval or Denial | 83 |
| Household application Collection Procedures | 67-68 |
| Household application for Child Nutrition Program | |
| Participation | 14 |
| Household Application Processing Time Frame | 69 |
| Households that Fail to Apply | 85 |
| Income Eligible | 69-70 |
| Income Eligible | 70 |
| Income Exclusions | 81 |
| Income for the Self-Employed | 79 |
| Income from Wages and Self-Employment | 80 |
| Indirect Cost in Food Service | 130 |
| Indirect Cost Rate | 130 |
| Indirect Costs | 129 |
| Infant Meal Pattern | 45-46 |
| Infant Meal Pattern | |
| Inter-Governmental Agreement | 162 |
| Introduction to Child Nutrition Programs | 7 |
| Introduction to Free and Reduced-Price Policy | 64 |
| Labor Costs | 110-111 |

| | |
|--|---------|
| LEA and AHCCCS Agreement | 91 |
| Leftover Foods | 60 |
| Legislation | 7 |
| Legislative Authority | 145 |
| Local Wellness Policy | 170 |
| Lost and Stolen Tickets | 118-119 |
| Master List / Enrollment Household Applications | 105-106 |
| Meal Consumption | 59 |
| Meal Count System | 101 |
| Meal Counting and Point of Service | 15 |
| Meal Pricing for Adults | 108 |
| Meal Pricing for Students | 107-108 |
| Meals Served | 127 |
| Medicaid/KidsCare/AHCCCS Screener | 92 |
| Medium of Exchange/Avoiding Overt Identification | 101 |
| Menu Planning Approaches | 17 |
| Menu Planning Overview | 17 |
| Menu Planning Requirements | 39-40 |
| Menu Substitutions | 36 |
| Menu Substitutions | 43 |
| Method of Delivery or Pickup | 149 |
| Migrant, Homeless, and Runaway Child Eligibility | 71 |
| Military Benefits | 80 |
| Mission Statement | 7 |
| Monitoring of Net Cash Resources | 129 |
| Multi-use Household applications | 90-91 |
| National Nutrition Month | 10 |
| National School Lunch Administrative Review Appeal | |
| Procedure | 174-176 |
| National School Lunch Program | 8 |
| Net Cash Resources | 128 |
| Net Cash Resources Worksheet | 132 |
| Non-Creditable Foods | 32-33 |
| Non-profit Food Service | 14 |
| Non-School Days | 62 |
| Notice to Households (Parent Letter) | 64-65 |
| Notification of the Eligibility Determination | 86 |
| Nutrient Analysis Menu Pattern Goals | 21-22 |
| Nutrient Analysis Requirements | 40-41 |
| Nutrient Based Menu Planning Approach | 39 |
| Nutrient Standard Menu Planning | 39 |
| Nutrition Education Resources | 178-181 |
| Nutritional Compliance | 18 |

| | |
|--|---------|
| Nutritional Goals | 19 |
| Nutritional Standards | 17 |
| Offer vs. Serve | 36-38 |
| Offer vs. Serve | 43-44 |
| Ordering Procedure | 150 |
| Other Disclosures that Require Parental Consent | 97 |
| Other Meal Patterns | |
| Other Meal Service Requirements | 58 |
| Overview of Child Nutrition Programs | 8 |
| Parental Notification about Eligibility Disclosure | 95-96 |
| Payment to Warehouse | 151 |
| Penalties for Improper Disclosure | 97 |
| Planned Usage Request Survey | 148 |
| Point of Service | 58 |
| Point of Service | 101 |
| Policy Statement | 64 |
| Portion Sizes | 54 |
| Preschool and Day Care Program | 61 |
| Pricing of a School Meal | 113 |
| Procurement Code of Standards | 135 |
| Procurement Cost Threshold | 135 |
| Procurement Policy Code of Standards Exhibit | 143 |
| Procurement Requirements | 134 |
| Production and Menu Records | 33-35 |
| Production and Menu Records | 41-43 |
| Professional Development | 178 |
| Program Resources | 177-181 |
| Program Reviews | 172-174 |
| Projected Income for Seasonal Workers and Other | 79 |
| Promotional Activities | 10 |
| Public (Media) Release | 64 |
| Purchasing Methods | 141 |
| Qualifications of the Institute | 104 |
| Receiving Responsibility | 150-151 |
| Record-Keeping | 87-89 |
| Recordkeeping Requirements | 176 |
| Reimbursable Vending | 58 |
| Reimbursement | 123 |
| Reimbursement Claims | 124 |
| Reimbursement Policy | 61 |
| Reimbursement Rates | 123 |
| Requirements for Disclosure of Social Security Numbers | 97 |
| Residential Child Care Institute (RCCI) | 104 |

| | |
|--|---------|
| Residential Students | 104 |
| Resources | 57 |
| Restricted ICR | 130 |
| Revised Claims | 124-125 |
| Revolving Accounts | 117 |
| School Breakfast Program | 9 |
| School District Employees | 109 |
| School Food Safety Inspections | 171 |
| School Meals Initiative (SMI) | 172 |
| Second Meals | 63 |
| Sharing Information with Medicaid/KidsCare/AHCCCS | 91-92 |
| Snacks / A-la-carte / Catering | 128 |
| Sources of Indirect Cost Base Exhibit | 133 |
| Special Assistance | 103 |
| Special Milk Program | 9 |
| Sponsor Household applications and Site Household applications | 15 |
| Standards | 51-53 |
| State Match | 128 |
| Statement of Facts | 104-105 |
| Summer Food Service Program | 9 |
| Team Nutrition | 9 |
| Team Nutrition Days | 11 |
| Temporary Approval | 84 |
| Ticket Refunds / Credit Accounts | 118 |
| Ticket Sales | 118 |
| Traditional Meal Pattern | 23-26 |
| Traditional Menu Pattern Goals | 19 |
| Types of Procurement | 137-140 |
| Understanding Free and Reduced-price Policy | 8 |
| Unrestricted ICR | 130 |
| USDA Food Categories | 146 |
| USDA Foods Allocation | 147 |
| USDA Foods Processing | 151 |
| USDA Foods Program | 145 |
| USDA Foods Programs | 145 |
| Use and Storage of USDA Foods | 157-159 |
| Use of USDA Foods | 156-157 |
| Value of USDA Foods | 127 |
| Verification | 100 |
| Visiting Students | 63 |